

MAKING APPROPRIATIONS FOR ENERGY AND WATER DEVELOPMENT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2004, AND FOR OTHER PURPOSES

NOVEMBER 7, 2003.—Ordered to be printed

Mr. HOBSON, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 2754]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2754) “making appropriations for energy and water development for the fiscal year ending September 30, 2004, and for other purposes”, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2004, for energy and water development, and for other purposes, namely:

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the

TITLE III
DEPARTMENT OF ENERGY
ENERGY PROGRAMS

ENERGY SUPPLY

For Department of Energy expenses including the purchase, construction, and acquisition of plant and capital equipment, and other expenses necessary for energy supply activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, and the purchase of not to exceed 12 passenger motor vehicles for replacement only, including two buses; \$737,537,000, to remain available until expended.

NON-DEFENSE SITE ACCELERATION COMPLETION

For Department of Energy expenses, including the purchase, construction, and acquisition of plant and capital equipment and other expenses necessary for non-defense environmental management site acceleration activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, \$163,375,000, to remain available until expended.

NON-DEFENSE ENVIRONMENTAL SERVICES

For Department of Energy expenses necessary for non-defense environmental services activities conducted as a result of nuclear energy research and development activities that indirectly support the accelerated cleanup and closure mission at environmental management sites, as well as new work scope transferred to the Environmental Management program, including the purchase, construction, and acquisition of plant and capital equipment and other necessary expenses, \$339,468,000, to remain available until expended.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING
FUND

For necessary expenses in carrying out uranium enrichment facility decontamination and decommissioning, remedial actions, and other activities of title II of the Atomic Energy Act of 1954 and title X, subtitle A, of the Energy Policy Act of 1992, \$416,484,000, to be derived from the Fund, to remain available until expended, of which \$51,000,000 shall be available in accordance with title X, subtitle A, of the Energy Policy Act of 1992.

SCIENCE

For Department of Energy expenses including the purchase, construction and acquisition of plant and capital equipment, and other expenses necessary for science activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real

property or facility or for plant or facility acquisition, construction, or expansion, and purchase of not to exceed 15 passenger motor vehicles for replacement only, including not to exceed one ambulance, \$3,451,700,000, to remain available until expended.

NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, \$190,000,000, to remain available until expended and to be derived from the Nuclear Waste Fund: Provided, That none of the funds provided herein may be used for international travel.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For salaries and expenses of the Department of Energy necessary for departmental administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed \$35,000), \$216,533,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): Provided, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: Provided further, That moneys received by the Department for miscellaneous revenues estimated to total \$123,000,000 in fiscal year 2004 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of 31 U.S.C. 3302: Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 2004, and any related unappropriated receipt account balances remaining from prior years' miscellaneous revenues, so as to result in a final fiscal year 2004 appropriation from the general fund estimated at not more than \$93,533,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$39,462,000, to remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction, and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense weapons activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acqui-

sition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; one fixed wing aircraft for replacement only; and the purchase of not to exceed six passenger motor vehicles, of which four shall be for replacement only, including not to exceed two buses; \$6,272,511,000, to remain available until expended: Provided, That \$87,000,000 is authorized to be appropriated for Project 01-D-108, Microsystems and engineering sciences applications (MESA), Sandia National Laboratories, Albuquerque, New Mexico: Provided further, That \$3,564,000 is authorized to be appropriated for Project 04-D-103, Project engineering and design (PED), various locations: Provided further, That a plant or construction project for which amounts are made available under this heading in this fiscal year with a current estimated cost of less than \$10,000,000 is considered for purposes of section 3622 of Public Law 107-314 as a plant project for which the approved total estimated cost does not exceed the minor construction threshold and for purposes of section 3623 of Public Law 107-314 as a construction project with a current estimated cost of less than the minor construction threshold.

DEFENSE NUCLEAR NONPROLIFERATION

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense, defense nuclear nonproliferation activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, \$1,327,612,000, to remain available until expended.

NAVAL REACTORS

For Department of Energy expenses necessary for naval reactors activities to carry out the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition (by purchase, condemnation, construction, or otherwise) of real property, plant, and capital equipment, facilities, and facility expansion, and the purchase of not to exceed one bus; \$766,400,000, to remain available until expended.

OFFICE OF THE ADMINISTRATOR

For necessary expenses of the Office of the Administrator in the National Nuclear Security Administration, including official reception and representation expenses (not to exceed \$12,000), \$339,980,000, to remain available until expended.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE SITE ACCELERATION COMPLETION

For Department of Energy expenses, including the purchase, construction, and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense site acceleration completion activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the

acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; \$5,651,062,000, to remain available until expended: Provided, That the Secretary of Energy is directed to use \$1,000,000 of the funds provided for regulatory and technical assistance to the State of New Mexico, to amend the existing WIPP Hazardous Waste Permit to comply with the provisions of section 310 of this Act.

DEFENSE ENVIRONMENTAL SERVICES

For Department of Energy expenses necessary for defense-related environmental services activities that indirectly support the accelerated cleanup and closure mission at environmental management sites, including the purchase, construction, and acquisition of plant and capital equipment and other necessary expenses, and the purchase of not to exceed one ambulance for replacement only, \$991,144,000, to remain available until expended.

OTHER DEFENSE ACTIVITIES

For Department of Energy expenses, including the purchase, construction, and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense, other defense activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, \$674,491,000, to remain available until expended.

DEFENSE NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, \$390,000,000, to remain available until expended.

POWER MARKETING ADMINISTRATIONS

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, are approved for official reception and representation expenses in an amount not to exceed \$1,500. During fiscal year 2004, no new direct loan obligations may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, including transmission wheeling and ancillary services, pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, \$5,100,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, up to \$19,000,000 collected by the Southeastern Power Administration pursuant to the Flood Control Act to recover purchase power and wheeling expenses shall be cred-

ited to this account as offsetting collections, to remain available until expended for the sole purpose of making purchase power and wheeling expenditures.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed \$1,500 in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, \$28,600,000, to remain available until expended: Provided, That, notwithstanding the provisions of 31 U.S.C. 3302, up to \$1,512,000 collected by the Southwestern Power Administration pursuant to the Flood Control Act to recover purchase power and wheeling expenses shall be credited to this account as offsetting collections, to remain available until expended for the sole purpose of making purchase power and wheeling expenditures; in addition, notwithstanding 31 U.S.C. 3302, beginning in fiscal year 2004 and thereafter, such funds as are received by the Southwestern Power Administration from any State, municipality, corporation, association, firm, district, or individual as advance payment for work that is associated with Southwestern's transmission facilities, consistent with that authorized in section 5 of the Flood Control Act, shall be credited to this account and be available until expended.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (42 U.S.C. 7152), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed \$1,500, \$177,950,000, to remain available until expended, of which \$167,236,000 shall be derived from the Department of the Interior Reclamation Fund: Provided, That of the amount herein appropriated, \$6,200,000 is for deposit into the Utah Reclamation Mitigation and Conservation Account pursuant to title IV of the Reclamation Projects Authorization and Adjustment Act of 1992: Provided further, That notwithstanding the provision of 31 U.S.C. 3302, up to \$162,108,000 collected by the Western Area Power Administration pursuant to the Flood Control Act of 1944 and the Reclamation Project Act of 1939 to recover purchase power and wheeling expenses shall be credited to this account as offsetting collections, to remain available until expended for the sole purpose of making purchase power and wheeling expenditures: Provided further, That the \$750,000 that is made available under this heading for a transmission study on the placement of 500 megawatt wind energy in North Dakota and South Dakota may be nonreimbursable: Provided further, That, in accordance with section 203 of the Colorado River Basin Salinity Control Act (43 U.S.C. 1593), electrical power supply

and delivery assistance may be provided to the local distribution utility as required to maintain proper voltage levels at the Big Sandy River Diffuse Source Control Unit.

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

For operation, maintenance, and emergency costs for the hydro-electric facilities at the Falcon and Amistad Dams, \$2,640,000, to remain available until expended, and to be derived from the Falcon and Amistad Operating and Maintenance Fund of the Western Area Power Administration, as provided in section 423 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including services as authorized by 5 U.S.C. 3109, the hire of passenger motor vehicles, and official reception and representation expenses (not to exceed \$3,000), \$204,400,000, to remain available until expended: Provided, That notwithstanding any other provision of law, not to exceed \$204,400,000 of revenues from fees and annual charges, and other services and collections in fiscal year 2004 shall be retained and used for necessary expenses in this account, and shall remain available until expended: Provided further, That the sum herein appropriated from the general fund shall be reduced as revenues are received during fiscal year 2004 so as to result in a final fiscal year 2004 appropriation from the general fund estimated at not more than \$0.

DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION

(RESCISSION)

Of the funds appropriated in prior Energy and Water Development Appropriation Acts, \$15,329,000 of unexpended balances of prior appropriations are rescinded: Provided, That \$13,329,000 shall be derived from the Paducah Disposal Facility Privatization (OR-574) and \$2,000,000 shall be derived from the Portsmouth Disposal Facility Privatization (OR-674).

GENERAL PROVISIONS

DEPARTMENT OF ENERGY

SEC. 301. (a)(1) *None of the funds in this or any other appropriations Act for fiscal year 2004 or any previous fiscal year may be used to make payments for a noncompetitive management and operating contract unless the Secretary of Energy, not later than 60 days after the date of the enactment of this Act, publishes in the Federal Register and submits to the Committees on Appropriations of the House of Representatives and the Senate a written notification, with respect to each such contract, of the Secretary's decision to use competitive procedures for the award of the contract, or to not renew the contract, when the term of the contract expires.*

(2) *Notwithstanding paragraph (1), the Secretary of Energy may use appropriated funds to maintain operations of noncompetitive management and operating contracts as necessary during the 60-day period beginning on the date of the enactment of this Act.*

(3) *Paragraph (1) does not apply to an extension for up to 2 years of a noncompetitive management and operating contract, if the extension is for purposes of allowing time to award competitively a new contract, to provide continuity of service between contracts, or to complete a contract that will not be renewed.*

(b) *In this section:*

(1) *The term “noncompetitive management and operating contract” means a contract that was awarded more than 50 years ago without competition for the management and operation of Ames Laboratory, Argonne National Laboratory, Lawrence Berkeley National Laboratory, Lawrence Livermore National Laboratory, and Los Alamos National Laboratory.*

(2) *The term “competitive procedures” has the meaning provided in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403) and includes procedures described in section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253) other than a procedure that solicits a proposal from only one source.*

SEC. 302. *None of the funds appropriated by this Act may be used to—*

(1) *develop or implement a workforce restructuring plan that covers employees of the Department of Energy; or*

(2) *provide enhanced severance payments or other benefits for employees of the Department of Energy, under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 42 U.S.C. 7274h).*

SEC. 303. *None of the funds appropriated by this Act may be used to augment the \$13,400,000 made available for obligation by this Act for severance payments and other benefits and community assistance grants under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 42 U.S.C. 7274h) unless the Department of Energy submits a re-programming request subject to approval by the appropriate congressional committees.*

SEC. 304. *None of the funds appropriated by this Act may be used to prepare or initiate Requests For Proposals (RFPs) for a program if the program has not been funded by Congress.*

(TRANSFERS OF UNEXPENDED BALANCES)

SEC. 305. *The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.*

SEC. 306. *None of the funds in this or any other Act for the Administrator of the Bonneville Power Administration may be used to enter into any agreement to perform energy efficiency services outside the legally defined Bonneville service territory, with the exception of services provided internationally, including services provided on a reimbursable basis, unless the Administrator certifies in ad-*

vance that such services are not available from private sector businesses.

SEC. 307. When the Department of Energy makes a user facility available to universities and other potential users, or seeks input from universities and other potential users regarding significant characteristics or equipment in a user facility or a proposed user facility, the Department shall ensure broad public notice of such availability or such need for input to universities and other potential users. When the Department of Energy considers the participation of a university or other potential user as a formal partner in the establishment or operation of a user facility, the Department shall employ full and open competition in selecting such a partner. For purposes of this section, the term "user facility" includes, but is not limited to: (1) a user facility as described in section 2203(a)(2) of the Energy Policy Act of 1992 (42 U.S.C. 13503(a)(2)); (2) a National Nuclear Security Administration Defense Programs Technology Deployment Center/User Facility; and (3) any other Departmental facility designated by the Department as a user facility.

SEC. 308. The Administrator of the National Nuclear Security Administration may authorize the manager of a covered nuclear weapons research, development, testing or production facility to engage in research, development, and demonstration activities with respect to the engineering and manufacturing capabilities at such facility in order to maintain and enhance such capabilities at such facility: Provided, That of the amount allocated to a covered nuclear weapons facility each fiscal year from amounts available to the Department of Energy for such fiscal year for national security programs, not more than an amount equal to 2 percent of such amount may be used for these activities: Provided further, That for purposes of this section, the term "covered nuclear weapons facility" means the following:

- (1) the Kansas City Plant, Kansas City, Missouri;*
- (2) the Y-12 Plant, Oak Ridge, Tennessee;*
- (3) the Pantex Plant, Amarillo, Texas;*
- (4) the Savannah River Plant, South Carolina; and*
- (5) the Nevada Test Site.*

SEC. 309. Funds appropriated by this or any other Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2004 until the enactment of the Intelligence Authorization Act for fiscal year 2004.

SEC. 310. None of the funds in this Act may be used to dispose of transuranic waste in the Waste Isolation Pilot Plant which contains concentrations of plutonium in excess of 20 percent by weight for the aggregate of any material category on the date of enactment of this Act, or is generated after such date. For the purposes of this section, the material categories of transuranic waste at the Rocky Flats Environmental Technology Site include: (1) ash residues; (2) salt residues; (3) wet residues; (4) direct repackaging residues; and (5) scrub alloy as referenced in the "Final Environmental Impact Statement on Management of Certain Plutonium Residues and Scrub Alloy Stored at the Rocky Flats Environmental Technology Site".

SEC. 311. (a) The Secretary of Energy is directed to file a permit modification to the Waste Analysis Plan (WAP) and associated pro-

visions contained in the Hazardous Waste Facility Permit for the Waste Isolation Pilot Plant (WIPP). For purposes of determining compliance of the modifications to the WAP with the hazardous waste analysis requirements of the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), or other applicable laws waste confirmation for all waste received for storage and disposal shall be limited to; (1) confirmation that the waste contains no ignitable, corrosive, or reactive waste through the use of either radiography or visual examination of a statistically representative subpopulation of the waste; and (2) review of the Waste Stream Profile Form to verify that the waste contains no ignitable, corrosive, or reactive waste and that assigned Environmental Protection Agency hazardous waste numbers are allowed for storage and disposal by the WIPP Hazardous Waste Facility Permit.

(b) Compliance with the disposal room performance standards of the WAP shall be demonstrated exclusively by monitoring airborne volatile organic compounds in underground disposal rooms in which waste has been emplaced until panel closure.

SEC. 312. Notwithstanding any other provision of law, the material in the concrete silos at the Fernald uranium processing facility currently managed by the Department of Energy and the ore processing residual materials in the Niagara Falls Storage Site subsurface waste containment structure managed by the United States Army Corps of Engineers under the Formerly Utilized Sites Remedial Action Program shall be considered "byproduct material" as defined by section 11e.(2) of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2014(e)(2)). The Nuclear Regulatory Commission or an Agreement State, as appropriate, shall regulate the material as "11e.(2) byproduct material" for the purpose of disposition of the material in an NRC-regulated or Agreement State-regulated facility.

SEC. 313. No funds appropriated or otherwise made available under this title under the heading "ATOMIC ENERGY DEFENSE ACTIVITIES" may be obligated or expended for additional and exploratory studies under the Advanced Concepts Initiative until 30 days after the date on which the Administrator for Nuclear Security submits to Congress a detailed report on the planned activities for additional and exploratory studies under the initiative for fiscal year 2004. The report shall be submitted in unclassified form, but may include a classified annex.

SEC. 314. MARTIN'S COVE LEASE. (a) DEFINITIONS.—In this section:

(1) BUREAU OF LAND MANAGEMENT.—The term "Bureau of Land Management", hereafter referred to as the "BLM", means an agency of the Department of the Interior.

(2) CORPORATION.—The term "Corporation" means the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints, located at 50 East North Temple Street, Salt Lake City, Utah.

(3) MARTIN'S COVE.—The term "Martin's Cove" means the area, consisting of approximately 940 acres of public lands in Natrona County, Wyoming as depicted on the Martin's Cove map numbered MC-001.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(b) LEASE.—

(1) *IN GENERAL.*—Not later than 120 days after the date of enactment of this Act, the Secretary shall enter into an agreement with the Corporation to lease, for a term of 25 years, approximately 940 acres of Federal land depicted on the Martin's Cove map MC-001. The Corporation shall retain the right of ingress and egress in, from and to any part of the leasehold for its use and management as an important historical site.

(2) *TERMS AND CONDITIONS.*—

(A) *SURVEY.*—As a condition of the agreement under paragraph (1), the Corporation shall provide a boundary survey to the Secretary, acceptable to the Corporation and the Secretary, of the parcels of land to be leased under paragraph (1).

(B) *ACCESS.*—

(i) *IN GENERAL.*—The Secretary and the Corporation shall enter into a lease covenant, binding on any successor or assignee that ensures that, consistent with the historic purposes of the site, public access will be provided across private land owned by the Corporation to Martin's Cove and Devil's Gate. Access shall—

(I) ensure public visitation for historic, educational and scenic purposes through private lands owned by the Corporation to Martin's Cove and Devil's Gate;

(II) provide for public education, ecologic and preservation at the Martin's Cove site;

(III) be provided to the public without charge; and

(IV) permit the Corporation, in consultation with the BLM, to regulate entry as may be required to protect the environmental and historic values of the resource at Martin's Cove or at such times as necessitated by weather conditions, matters of public safety and nighttime hours.

(C) *IMPROVEMENTS.*—The Corporation may, upon approval of the BLM, improve the leasehold as may become necessary from time to time in order to accommodate visitors to the leasehold.

(D) *ARCHAEOLOGICAL PRESERVATION.*—The Corporation shall have the obligation to protect and maintain any historical or archaeological artifacts discovered or otherwise identified at Martin's Cove.

(E) *VISITATION GUIDELINES.*—The Corporation may establish, in consultation with the BLM, visitation guidelines with respect to such issues as firearms, alcoholic beverages, and controlled substances and conduct consistent with the historic nature of the resource, and to protect public health and safety.

(F) *NO ABRIDGEMENT.*—The lease shall not be subject to abridgement, modification, termination, or other taking in the event any surrounding area is subsequently designated as a wilderness or other protected areas. The lease shall contain a provision limiting the ability of the Secretary from administratively placing Martin's Cove in a re-

stricted land management status such as a Wilderness Study Area.

(G) *RIGHT OF FIRST REFUSAL.*—The Corporation shall be granted a right of first refusal to lease or otherwise manage Martin's Cove in the event the Secretary proposes to lease or transfer control or title of the land to another party.

(H) *FAIR MARKET VALUE LEASE PAYMENTS.*—The Corporation shall make lease payments which reflect the fair market rental value of the public lands to be leased, provided however, such lease payments shall be offset by value of the public easements granted by the Corporation to the Secretary across private lands owned by the Corporation for access to Martin's Cove and Devil's Gate.

(I) *RENEWAL.*—The Secretary may offer to renew such lease on terms which are mutually acceptable to the parties.

(c) *MINERAL WITHDRAWAL.*—The Secretary shall retain the subsurface mineral estate under the 940 acres under the leasehold. The 940 acres described in subsection (a)(3) are hereby withdrawn from mining location and from all forms of entry, appropriation, and disposal under the public land laws.

(d) *NO PRECEDENT SET.*—This Act does not set a precedent for the terms and conditions of leases between or among private entities and the United States.

(e) *VALID AND EXISTING RIGHTS.*—The Lease provided for under this section shall be subject to valid existing rights with respect to any lease, right-of-way, permit, or other valid existing rights to which the property is subject.

(f) *AVAILABILITY OF MAP.*—The Secretary shall keep the map identified in this section on file and available for public inspection in the Casper District Office of the BLM in Wyoming and the State Office of the BLM, Cheyenne, Wyoming.

(g) *NEPA COMPLIANCE.*—The Secretary shall comply with the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in carrying out this section.

SEC. 315. REINSTATEMENT AND TRANSFER OF THE FEDERAL LICENSE FOR PROJECT NO. 2696. (a) *DEFINITIONS.*—

(1) *COMMISSION.*—The term "Commission" means the Federal Energy Regulatory Commission.

(2) *TOWN.*—The term "town" means the town of Stuyvesant, New York, the holder of Federal Energy Regulatory Commission Preliminary Permit No. 11787.

(b) *REINSTATEMENT AND TRANSFER.*—Notwithstanding section 8 of the Federal Power Act (16 U.S.C. 801) or any other provision of that Act, the Commission shall, not later than 30 days after the date of enactment of this Act—

(1) *reinstate the license for Project No. 2696; and*

(2) *transfer the license to the town.*

(c) *HYDROELECTRIC INCENTIVES.*—Project No. 2696 shall be entitled to the full benefit of any Federal law that—

(1) *promotes hydroelectric development; and*

(2) *that is enacted within 2 years before or after the date of enactment of this Act.*

(d) *CO-LICENSEE.*—Notwithstanding the issuance of a preliminary permit to the town and any consideration of municipal pref-

erence, the town may at any time add as a co-licensee to the reinstated license a private or public entity.

(e) *PROJECT FINANCING.*—The town may receive loans under sections 402 and 403 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2702, 2703) or similar programs for the reimbursement of the costs of any feasibility studies and project costs incurred during the period beginning on January 1, 2001 and ending on December 31, 2006.

(f) *ENERGY CREDITS.*—Any power produced by the project shall be deemed to be incremental hydropower for purposes of qualifying for energy credits or similar benefits.

SEC. 316. Of the funds made available in this Act for Defense Environmental Services, \$1,000,000 shall be provided to the State of Nevada solely for expenditures, other than salaries and expenses of State employees, to conduct scientific oversight responsibilities and participate in licensing activities pursuant to the Nuclear Waste Policy Act of 1982, Public Law 97-425, as amended: Provided, That \$4,000,000 shall be provided to affected units of local governments, as defined in Public Law 97-425, to conduct appropriate activities pursuant to the Act: Provided further, That the distribution of the funds as determined by the units of local government shall be approved by the Department of Energy: Provided further, That the funds for the State of Nevada shall be made available solely to the Nevada Division of Emergency Management by direct payment and units of local government by direct payment: Provided further, That within 90 days of the completion of each Federal fiscal year, the Nevada Division of Emergency Management and the Governor of the State of Nevada and each local entity shall provide certification to the Department of Energy that all funds expended from such payments have been expended for activities authorized by Public Law 97-425 and this Act. Failure to provide such certification shall cause such entity to be prohibited from any further funding provided for similar activities: Provided further, That none of the funds herein appropriated may be: (1) used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for lobbying activity as provided in 18 U.S.C. 1913; (2) used for litigation expenses; or (3) used to support multi-State efforts or other coalition building activities inconsistent with the restrictions contained in this Act: Provided further, That all proceeds and recoveries realized by the Secretary in carrying out activities authorized by the Nuclear Waste Policy Act of 1982, Public Law 97-425, as amended, including but not limited to, any proceeds from the sale of assets, shall be available without further appropriation and shall remain available until expended.

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, for necessary expenses for the Federal Co-Chairman and the alternate on the Appalachian Regional Commission, for payment of the Federal share of the administrative expenses of the Commission, in-

services and collections estimated at \$6,716,000 in fiscal year 2004 shall be retained and be available until expended, for necessary salaries and expenses in this account notwithstanding 31 U.S.C. 3302: Provided further, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 2004 so as to result in a final fiscal year 2004 appropriation estimated at not more than \$584,000.

NUCLEAR WASTE TECHNICAL REVIEW BOARD

SALARIES AND EXPENSES

For necessary expenses of the Nuclear Waste Technical Review Board, as authorized by Public Law 100-203, section 5051, \$3,177,000, to be derived from the Nuclear Waste Fund, and to remain available until expended.

TITLE V

GENERAL PROVISIONS

SEC. 501. None of the funds appropriated by this Act may be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913.

SEC. 502. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a “Made in America” inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 503. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

SEC. 504. CLARIFICATION OF INDEMNIFICATION TO PROMOTE ECONOMIC DEVELOPMENT. (a) Subsection (b)(2) of section 3158 of the National Defense Authorization Act for Fiscal Year 1998 (42 U.S.C. 7274q(b)(2)) is amended by adding the following after subparagraph (C):

“(D) Any successor, assignee, transferee, lender, or lessee of a person or entity described in subparagraphs (A) through (C).”.

(b) The amendment made by section 506, as amended by this section, is effective as of the date of enactment of the National Defense Authorization Act for Fiscal Year 1998.

This Act may be cited as the “Energy and Water Development Appropriations Act, 2004”.

And the Senate agree to the same.

DAVID L. HOBSON,
RODNEY P. FRELINGHUYSEN,
TOM LATHAM,
ZACH WAMP,
JO ANN EMERSON,
JOHN T. DOOLITTLE,
JOHN E. PETERSON,
MICHAEL K. SIMPSON,
BILL YOUNG,
PETER J. VISCLOSKEY,
CHET EDWARDS,
ED PASTOR,
JAMES E. CLYBURN,
MARION BERRY,
DAVID R. OBEY,

Managers on the Part of the House.

PETE V. DOMENICI,
THAD COCHRAN,
MITCH McCONNELL,
ROBERT F. BENNETT,
CONRAD BURNS,
LARRY E. CRAIG,
CHRISTOPHER BOND,
TED STEVENS,
HARRY REID,
ROBERT C. BYRD,
FRITZ HOLLINGS,
PATTY MURRAY,
BYRON L. DORGAN,
DIANNE FEINSTEIN,
DANIEL K. INOUE,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2754) making appropriations for energy and water development for the fiscal year ending September 30, 2004, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the action agreed upon by the managers and recommended in the accompanying conference report.

The language and allocations set forth in House Report 108–212 and Senate Report 108–105 should be complied with unless specifically addressed to the contrary in the conference report and statement of the managers. Report language included by the House which is not contradicted by the report of the Senate or the conference, and Senate report language which is not contradicted by the report of the House or the conference is approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein. In cases where both the House report and Senate report address a particular issue not specifically addressed in the conference report or joint statement of managers, the conferees have determined that the House report and Senate report are not inconsistent and are to be interpreted accordingly. In cases in which the House or Senate have directed the submission of a report, such report is to be submitted to both House and Senate Committees on Appropriations.

Senate amendment: The Senate deleted the entire House bill after the enacting clause and inserted the Senate bill. The conference agreement includes a revised bill.

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The summary tables at the end of this title set forth the conference agreement with respect to the individual appropriations, programs, and activities of the Corps of Engineers. Additional items of the conference agreement are discussed below.

The conferees remain concerned about the inadequate budget requests for water resources programs of the U.S. Army Corps of Engineers. The budget request for fiscal year 2004 is about \$450,000,000 less than the amount appropriated to the Corps in

TITLE II

DEPARTMENT OF THE INTERIOR

CENTRAL UTAH PROJECT

CENTRAL UTAH PROJECT COMPLETION ACCOUNT

The conference agreement appropriates \$38,191,000 to carry out the provisions of the Central Utah Project Completion Act as proposed by the House and the Senate.

Section 402(b)(3)(B) of the Central Utah Project Completion Act directed that the Secretary of Energy, out of funds appropriated to the Western Area Power Administration, contribute funds annually to the Utah Reclamation Mitigation and Conservation Fund. On May 9, 2003, the Administration submitted a budget amendment proposing to transfer that responsibility to the Secretary of the Interior and requesting an additional \$6,000,000 in this account for that purpose. The conference agreement (Section 214) provides that this payment shall continue to be made from funds appropriated to the Western Power Administration for ten years from the date of enactment of this Act.

BUREAU OF RECLAMATION

The summary tables at the end of this title set forth the conference agreement with respect to the individual appropriations, programs, and activities of the Bureau of Reclamation. Additional items of conference agreement are discussed below.

WATER AND RELATED RESOURCES

The conference agreement appropriates \$857,498,000 for Water and Related Resources instead of \$817,913,000 as proposed by the House and \$859,517,000 as proposed by the Senate.

The conference agreement includes \$4,500,000 for the Colorado River Front Work and Levee system project, \$1,000,000 more than the budget request. The Bureau of Reclamation is directed to carry out the work on the water management reservoirs near the All American Canal and associated facilities under the authority of the Colorado River Front Work and Levee System (P.L. 585 and P.L. 560, as amended).

The conferees are concerned that the Bureau of Reclamation is having to make excess releases of more than 100,000 acre-feet of water per year from storage in Colorado River reservoirs in order to meet the delivery requirements of the 1944 Treaty with Mexico. This is due to not counting Wellton-Mohawk Irrigation and Drainage District drainage flows that are bypassed to the Cienega de Santa Clara as part of the 1.5 million acre-feet required to satisfy the Treaty. This loss of water has become particularly acute due to the drought in the Colorado River Basin. The loss of more than 100,000 acre-feet per year robs all seven basin states of badly needed water. Title I of the Colorado River Basin Salinity Control Act identified construction and operation of the Yuma Desalting Plant as the solution to the agreement between the United States and Mexico preferred by all parties. Accordingly, the conferees direct the Bureau of Reclamation to expedite its modifications of the plant

TITLE III

DEPARTMENT OF ENERGY

The summary tables at the end of this title set forth the conference agreement with respect to the individual appropriations, programs, and activities of the Department of Energy. Additional items of conference agreement are discussed below.

SAFEGUARDS AND SECURITY FUNDING

The conferees agree with House concerns about the problems with direct funding of safeguards and security and the desirability of returning to indirect funding of these costs, with appropriate controls and reporting. However, the conferees also recognize the difficulty in making such a shift in one fiscal year, and that safeguards and security requirements may change significantly with implementation of the revised Design Basis Threat. Therefore, the conferees instruct the Department to continue budgeting safeguards and security funding as a separate line item in fiscal year 2005, and to transition back to indirect funding of these costs beginning in fiscal year 2006. The conferees are receptive to a phased implementation during this transition period, beginning with single-purpose projects and sites in fiscal year 2006 and addressing the more complex multi-program sites in subsequent fiscal years.

HOMELAND SECURITY-RELATED WORK

The conferees concur with the House-proposed requirement for an annual report on all homeland security work being performed by Department of Energy (DOE) contractors, including direct funded DOE work, work for other agencies, laboratory directed research and development, and work funded via any other funding mechanism.

PROJECT MANAGEMENT

The conferees support language included in the House report regarding the efforts to improve the Department's construction and project management.

FACILITIES AND INFRASTRUCTURE

The conferees agree with House language regarding the need to strengthen and standardize management of the Department's facilities and infrastructure (F&I) activities throughout all programs of the Department. The conferees urge the Department to compete contracts for the decontamination, decommissioning, and demolition of excess facilities to the maximum extent practicable, and to identify the costs for removing these excess facilities in construction project data sheets.

SAFETY AT DOE FACILITIES

The conferees concur with the House language requiring an annual report on the backlog of safety deficiencies at National Nuclear Security Administration and defense cleanup sites and the estimated cost and schedule for corrective actions.

LABORATORY DIRECTED RESEARCH AND DEVELOPMENT

The conferees agree with the House concerns regarding the Laboratory Directed Research and Development (LDRD) program and with the guidance to streamline the annual LDRD report to Congress.

AUGMENTING FEDERAL STAFF

The conferees agree that the number of management and operating contractor employees assigned to the Washington metropolitan area shall not exceed 220 in fiscal year 2004, the same as the fiscal year 2003 ceiling. The reporting requirements remain as proposed by the House.

STRATEGIC INITIATIVE AND BUSINESS DEVELOPMENT FUNDS

The conferees agree with the guidance provided in the House report.

REPROGRAMMING GUIDELINES

The conferees require the Department to promptly and fully inform the House and Senate Committees on Appropriations when a change in program execution or funding is required during the fiscal year. A reprogramming includes the reallocation of funds from one activity to another within an appropriation, or any significant departure from a program, project, or activity described in the agency's budget justification as presented to and approved by Congress. For construction projects, a reprogramming constitutes the reallocation of funds from one construction project identified in the justifications to another project or a significant change in the scope of an approved project.

A reprogramming should be made only when an unforeseen situation arises, and then only if delay of the project or the activity until the next appropriations year would result in a detrimental impact to an agency program or priority. The Department should not submit reprogrammings in the fourth quarter of the fiscal year unless necessitated by an unforeseeable change in external circumstances. Reprogrammings may also be considered if the Department can show that significant cost savings can accrue by increasing funding for an activity. Mere convenience or desire should not be factors for consideration.

Reprogrammings should not be employed to initiate new programs or to change program, project, or activity allocations specifically denied, limited, or increased by Congress in the Act or report. In cases where unforeseen events or conditions are deemed to require such changes, proposals shall be submitted in advance to the Committees and be fully explained and justified.

The conferees have not provided statutory language to define the reprogramming guidelines, but do expect the Department to follow the spirit and the letter of the guidance provided in this report. The conferees have not provided the Department with any internal reprogramming flexibility in fiscal year 2004, unless specifically identified in the House, Senate, or conference reports. Any reallocation of new or prior year budget authority or prior year deobligations must be submitted to the Committees in writing and

may not be implemented prior to approval by the Committees on Appropriations.

REDUCTIONS NECESSARY TO ACCOMMODATE SPECIFIC PROGRAM DIRECTIONS

The Department is directed to provide a report to the House and Senate Committees on Appropriations by March 30, 2004, on the actual application of any general reductions of funding or applications of prior year balances contained in this conference agreement. Such reductions are to be applied proportionately against each program, project, or activity. If necessary, the Department must submit a reprogramming to reallocate funds if the proportional reduction unduly impacts a specific program, project, or activity.

ENERGY SUPPLY

The conference agreement provides \$737,537,000 for Energy Supply instead of \$691,534,000 as proposed by the House and \$920,357,000 as proposed by the Senate.

RENEWABLE ENERGY RESOURCES

The conference agreement provides \$344,400,000 instead of \$330,144,000 as proposed by the House and \$358,476,000 as proposed by the Senate for renewable energy resources. The conference agreement does not include language specifying funding allocations as contained in the House and Senate reports. As in fiscal year 2003, funds for Renewable Energy Resources shall remain available until expended.

Biomass/biofuels.—The conference agreement includes \$75,000,000 for biomass/biofuels. As in prior fiscal years, the conferees have combined the subprograms for power systems and transportation into a single program for biomass/biofuels and no longer provide separate allocations for power systems and transportation. The conference agreement includes \$20,000,000, the amount of the request, for the Bioconversion Production Integration Program.

The conference agreement includes \$3,000,000 for the Consortium for Plant Biotechnology Research (CPBR), of which \$750,000 is for CPBR research in Ohio and \$1,000,000 is for CPBR research at the University of Kentucky; \$1,000,000 for the E-Diesel research project by the National Corn Growers Association; \$1,000,000 for the Iowa State University Center for Catalysis; \$1,000,000 for work on biobased products by the New Uses Information and Entrepreneur Development Center in Belvidere, Illinois; \$300,000 for the University of Louisville Ethanol Production from Biomass large-scale facility design project; \$2,000,000 for the development of sustainable biobased products and bioenergy at Purdue University in cooperation with the Midwest Consortium for Sustainable Biobased Products and Bioenergy; \$3,000,000 for continued work on the Gridley Rice Straw Project; \$1,000,000 for the McMinnville Biodiesel Project; \$960,000 for the Mount Mass CC Bio Wood Gasification Project; and \$200,000 for the North Central Texas Dairy Waste Control Pilot Project.

The conference agreement includes \$1,000,000 for the Mississippi State Biodiesel Production Project; \$1,000,000 for Maine Forest Bioproducts research and development; \$1,000,000 for the University of Tennessee Switchgrass Demonstration Project; \$250,000 for clean energy from the gasification of switchgrass at Iowa State University; \$300,000 for the Missouri Soybean Association biodiesel demonstration; and \$500,000 for research in Nebraska on improved soybean oil for biodiesel fuel.

The conference agreement includes \$2,000,000 for the Regional Biomass Energy Program; \$750,000 for the On-Farm Small Scale Waste Energy Demonstration Project; \$1,000,000 for the Oxydiesel demonstration program in California and Nevada; \$500,000 for a biorefinery at the Louisiana State University Agricultural Center; \$500,000 for the Center for Biomass Utilization at the University of North Dakota; \$400,000 for the Vermont Biomass Energy Center; \$250,000 for the biomass/cogeneration project at North Country Hospital; \$500,000 for the gasification of switchgrass at the University of Iowa; \$1,000,000 for the Ag-Based Industrial Lubricants Center at the University of Northern Iowa; and \$2,000,000 for the Michigan Biotechnology Initiative. In addition, the conferees direct the Department to continue the Iowa switchgrass project at agreed-upon levels.

Geothermal.—The conference agreement includes \$26,000,000 for geothermal activities. The conferees direct the Department to continue funding university research and Geopowering the West at the fiscal year 2003 funding level. The conference agreement includes \$1,000,000 for the Full Circle Project in Lake County, California, and \$1,000,000 for geothermal research at the University of Nevada-Reno.

Hydrogen.—The conference agreement includes \$78,000,000 for hydrogen activities. The conferees remind the Department that the requirements for competition and industry cost sharing, as specified in the Hydrogen Future Act of 1996 (P.L. 104–271, 42 U.S.C. 12403), apply to this research, and urge the Department to compete the hydrogen research program to the fullest extent possible.

From within available funds, the Department is directed to spend not less than \$2,500,000 for a competitive solicitation for solid oxide fuel cell research. The conference agreement also includes \$1,000,000 for the Lansing Community College Alternative Energy Center; \$3,000,000 for the Edison Materials Technology Center to develop improved materials to support the hydrogen economy; \$3,000,000 for the National Center for Manufacturing Sciences to develop advanced manufacturing technologies for renewable energy applications; \$2,000,000 for the HI-Way Initiative in New York State; \$1,000,000 for the Shared Technology Transfer Program by Nicholls State University; \$2,000,000 for the Florida Hydrogen Partnership; \$2,000,000 for fuel cell research by the University of South Florida; \$2,000,000 for fuel cell development for distributed generation and carbon sequestration in Northwest Indiana; \$3,000,000 for the Hydrogen Regional Infrastructure Program in Pennsylvania; \$955,000 for the Evermont hydrogen electrolyzer project; \$300,000 for the residential fuel cell demonstration by the Delaware County Electric Cooperative; and \$2,200,000 for the Ex-

panding Clean Energy Research and Education Program at the University of South Carolina.

The conference agreement includes \$750,000 for the Hydrogen Futures Park at the University of Montana; \$2,000,000 for the Fuel Cell Mine Loader and Prototype Locomotive; \$3,000,000 for the evaluation of solar-powered thermo-chemical production of hydrogen from water at the University of Nevada-Las Vegas; \$3,000,000 for the University of Nevada-Las Vegas renewable hydrogen fueling station system; \$500,000 for the Startech Hydrogen Production Project; \$2,000,000 for the hydrogen fuel cell project for the Regional Transportation Commission of Washoe County, Nevada; \$500,000 for the Hawaii Hydrogen Center for Development and Deployment of Distributed Energy Systems; and \$500,000 for the Smart Energy Management Control System.

Hydropower.—The conference agreement provides \$5,000,000 for hydropower, including \$400,000 to assess low head and low power hydropower resources.

Solar Energy.—The conference agreement includes \$85,000,000 for solar energy programs. As in prior fiscal years, the conferees have combined the concentrating solar power, photovoltaic energy systems, and solar building technology subprograms into a single program for solar energy, with the control level at the solar energy program account level.

The conferees include \$5,500,000 from within available funds for concentrating solar power (CSP). Of these funds, \$1,000,000 is provided for industry based 20–25 kW Dish-Stirling and the Department is directed to continue with deployment of the 1.0 MW dish engine project. If the Department needs more than \$5,500,000 in fiscal year 2004 to regain lost momentum in the CSP program, the conferees urge the Department to seek a reprogramming.

The conference agreement includes \$250,000 for the solar energy project in Yucca Valley, California; \$400,000 for the Center for Ecological Technology; and \$500,000 for the Hackensack University Green Building Medical Center. The Department should continue funding for the Southeast and Southwest photovoltaic experiment stations and the Million Solar Roofs program at current year levels.

Zero Energy Buildings.—The conference agreement does not provide any separate funds for Zero Energy Buildings in fiscal year 2004, although the Department is directed to spend up to \$4,000,000 of available funds within Solar Energy for Zero Energy Building activities related to solar energy. If the Department seeks funds for Zero Energy Buildings in fiscal year 2005, it should request those funds as part of its Interior and Related Agencies appropriation request.

Wind.—The conference agreement includes \$41,600,000 for wind programs. The conference agreement includes \$147,000 for a wind farm feasibility study by Saint Francis University; \$300,000 for the Saginaw Chippewa Wind Energy Development Project; \$500,000 for the Vermont Wind Energy Program; and \$1,000,000 to continue the ongoing wind turbine effort in Bellevue, Washington. The Wind Powering America initiative is to be continued at last year's funding level. The conferees continue to recognize the need for a set-aside for small wind programs. The conferees are aware that the potential for expanding wind generated energy to

new locations is significant, but further development in the Dakotas and the Upper Midwest is stymied by transmission constraints. The conferees are committed to developing the potential of wind energy in the United States and especially on tribal lands. The conferees direct the Department to work with the transmission industry to conduct a comprehensive analysis of upper Midwest wind energy locations and transmission requirements and to report to the Committees on Appropriations by May 31, 2004.

Electricity Reliability.—The funds originally requested for Electricity Reliability are provided under the new Electricity Transmission and Distribution account within the Energy Supply appropriation, as requested by the Department.

Intergovernmental Activities.—The conference agreement includes \$15,000,000 for renewable support and implementation. This amount includes \$6,000,000 for the international renewable energy program, including \$2,000,000 for the International Utility Efficiency Partnership (IUEP); \$5,000,000 for tribal energy activities, including \$1,000,000 for the Council of Renewable Energy Tribes (CERT), \$1,300,000 for the Intertribal Council on Utility Policy, and \$1,000,000 for the Pyramid Lake Paiute Tribe Renewable Energy Park; and \$4,000,000 for the Renewable Energy Production Incentive (REPI). From within available funds, the conference agreement provides \$750,000 for the Renewable Energy Policy Project.

The conferees adopt the Senate proposal for the Clean Energy Technology Exports (CETE) initiative, requiring the interagency group, through the Department of Energy and other Federal agency partners, to provide the Appropriations Committees with a report, no later than January 15, 2004, on the status of the implementation of the strategic plan and specific actions that each of the participating agencies have taken in fiscal year 2003 and will take in fiscal year 2004 to engage non-governmental, private sector, and other international partners. In addition, the conferees direct the Department to make \$400,000 available to establish an interagency CETE center in the Office of International Energy Market Development. All energy technology program offices and other agencies participating in the CETE initiative are urged to contribute to this nine-agency effort. To provide further leverage for this initiative, the Department should also consider establishing a Federal Advisory Committee Act board and complementary demonstration and deployment efforts.

Renewable Support and Implementation.—The conference agreement provides \$6,000,000, including \$2,000,000 for departmental energy management and \$4,000,000 to continue the efforts of the National Renewable Energy Laboratory (NREL) to develop renewable energy resources uniquely suited to the Southwestern United States through its virtual site office in Nevada.

National Climate Change Technology Initiative.—The conferees provide no funds for this initiative, consistent with the rationale provided in the House and Senate reports.

Facilities and Infrastructure.—The conference agreement provides the requested amount of \$4,200,000 for the National Renewable Energy Laboratory (NREL) and includes an additional \$4,000,000 to initiate construction of the new Science and Tech-

nology facility at NREL (project 02-EERE-001). Funding for the new Energy Reliability and Efficiency Laboratory at Oak Ridge National Laboratory (project 04-E-TBD) is provided in the new Electricity Transmission and Distribution account. The conference agreement includes \$5,000,000 for the National Center on Energy Management and Building Technologies.

Program direction.—The conference agreement includes \$12,600,000 for program direction.

Use of prior year balances.—The conference agreement includes the use of \$13,000,000 of prior year funds carried over from fiscal year 2003 to offset fiscal year 2004 requirements.

ELECTRICITY TRANSMISSION AND DISTRIBUTION

The conference agreement provides \$82,377,000 for the new Office of Electricity Transmission and Distribution, \$5,000,000 over the requested amount. The conferees provide the additional \$5,000,000 for the Department of Energy to complete its investigation into the causes of the August 14th, 2003 blackout. These funds shall be used to conduct an extensive investigation, to include modeling and analysis, of the various electrical and System Control and Data Analysis (SCADA) systems, the reliability rules, systems operations and other factors, such as cyber situations and disturbances, that might have caused or contributed to the outage.

Within available funds, the conferees urge the Department to continue its high temperature superconductivity research and development program at the requested level of \$47,838,000. The conference agreement also includes the requested \$750,000 for the new Energy Reliability and Efficiency Laboratory at Oak Ridge National Laboratory (project 04-E-TBD), and removes the industry cost sharing requirement for this facility as proposed in the budget request. The industry cost sharing requirement applies to research activities, not to construction of this new facility. The Department should include full funding for the construction and operation of the facility in future budget requests.

The conference agreement includes \$4,000,000 to continue research on aluminum matrix composite conductors; \$3,000,000 for research into lead carbon acid asymmetric supercapacitors; \$300,000 for research on advanced ceramic engines and materials for energy applications; \$1,000,000 for a joint research program between Wright State University and the University of Albany, in collaboration with Wright Patterson Air Force Base, to enhance the performance of second-generation, high temperature coated superconductors; \$2,000,000 for the PowerGrid simulator at Drexel University and the New Jersey Institute of Technology; \$500,000 for the Center for Distributed Generation and Thermal Distribution at Washington State University; \$1,000,000 for electricity transmission research at the University of Missouri-Rolla; \$300,000 for research at the Georgia Institute of Technology on the use of recycled carpet as fuel kilns; \$1,000,000 for distributed generation projects in Northwest Indiana; \$2,000,000 for the Connecticut Power Technologies project; \$3,000,000 for the Electric Infrastructure Technology, Training, and Assessment Program in Pennsylvania; and \$1,000,000 for the Indian Point Energy Center Study in New York.

The conference agreement includes \$3,000,000 for the Navajo electrification demonstration program; \$1,000,000 to continue development of the bipolar nickel metal hydride battery storage system; \$250,000 for the Microgrid distributed generation prototype in Vermont; \$500,000 for the Natural Energy Laboratory in Hawaii to continue development and deployment of distributed energy systems; \$2,000,000 for research, development, and demonstration of advanced thermal energy storage technology integrated with renewable thermal energy technology; and \$400,000 for the Diné Power Authority.

NUCLEAR ENERGY

The conference agreement provides \$300,763,000 for nuclear energy activities instead of \$268,016,000 as proposed by the House and \$437,422,000 as proposed by the Senate. The conference agreement does not include language specifying funding allocations as contained in the House and Senate reports. With the designation of the Office of Nuclear Energy, Science and Technology as the lead office with landlord responsibilities for the Idaho site, \$112,306,000 of costs are allocated to the 050 budget function and are funded in the Other Defense Activities account. The Department should follow this structure in its fiscal year 2005 budget submission.

Radiological Facilities Management.—The Office of Nuclear Energy, Science and Technology operates a variety of facilities and equipment to support the needs of space, defense, and medical customers who obtain radiological materials from the Department of Energy on a reimbursable basis.

Space and defense power systems infrastructure.—The conference agreement includes \$36,230,000 to maintain the infrastructure necessary to support future national security needs and National Aeronautics and Space Administration missions.

Medical isotopes infrastructure.—The conference agreement includes \$28,425,000 for the medical isotope program. From within available funds, the Department is directed to provide \$4,000,000 for upgrades of radiological facilities at Oak Ridge National Laboratory.

University reactor fuel assistance and support.—The conference agreement includes \$23,500,000, an increase of \$5,000,000 over the budget request. The conferees provide an additional \$2,500,000 to fund more regional university reactor consortia, and the conferees strongly encourage the Department to request sufficient funding in future years to fund all meritorious proposals. The conferees also provide an additional \$2,500,000 to pay for the university costs of transporting spent nuclear fuel from university reactors. The conferees encourage the Department to support the new graduate program in nuclear engineering at the University of South Carolina and the new program being considered at the University of Nevada-Las Vegas.

Research and development.—The conference agreement provides \$132,500,000 for nuclear energy research and development activities, an increase of \$5,475,000 over the budget request. The conference agreement includes \$3,000,000 for nuclear energy plant optimization (NEPO), \$11,000,000 for the nuclear energy research initiative (NERI), \$44,000,000 for nuclear energy technologies,

\$6,500,000 for the nuclear hydrogen initiative, and \$68,000,000 for the Advanced Fuel Cycle Initiative (AFCI).

Within the funds provided for NEPO, the conferees include \$1,000,000 to expand the transfer of the Mechanical Stress Improvement Process (MSIP) technology to other countries in the former Soviet Union.

Of the \$44,000,000 made available for nuclear energy technologies, \$20,000,000 is for Nuclear Power 2010 and \$24,000,000 is for the Generation IV initiative. The Department is directed to use \$15,000,000 provided under the Generation IV initiative to begin the research, development, and design work for an advanced reactor hydrogen co-generation project at Idaho National Laboratory.

The \$6,500,000 made available for the nuclear hydrogen initiative includes \$2,000,000 to support research and development on high temperature electrolysis and sulfur-iodine thermochemical technologies necessary to support the advanced reactor hydrogen co-generation project at Idaho National Laboratory, and \$2,000,000 for the University of Nevada-Las Vegas Research Foundation to continue the development, in partnership with industry and national laboratories, of an efficient high temperature heat exchanger.

Within the funds available for AFCI, the conference agreement includes \$2,000,000 for the Idaho Accelerator Center; \$3,500,000 for the University of Nevada-Las Vegas; and \$3,000,000 for directed research aimed at enhancing university-based collaborations on AFCI. The conferees also direct the Secretary to conduct the study, described in more detail in the Senate report, to identify the necessary capacities and time scales for implementation of advanced recycle technologies, and to report to Congress by March 2005 with quantitative goals for the AFCI work. The conferees expect the Department to partner with universities and industry, as well as use existing expertise at national laboratories, in this effort.

Idaho Facilities Management.—The conference agreement provides \$42,615,000 for ANL–West operations, including an additional \$5,000,000 for the addition of a high temperature gas loop in the Advanced Test Reactor and \$6,000,000 for deferred landlord activities and critical infrastructure needs. The conference agreement provides \$31,605,000 for infrastructure at the Idaho National Engineering and Environmental Laboratory (INEEL), of which \$21,415,000 is allocated to the 050 budget function. The conference agreement provides the requested amounts of \$500,000 for project 95–E–201 and \$1,840,000 for project 99–E–200, both at the Test Reactor Area.

Idaho Sitewide Safeguards and Security.—The conference agreement provides \$56,654,000 for Idaho sitewide safeguards and security. Consistent with the request, all of these costs are assigned to the 050 budget function.

Program direction.—The conference agreement includes \$59,200,000 for program direction. Of this amount, \$34,815,000 is assigned to the 050 budget function.

Funding adjustments.—The conferees direct the Department to use \$20,000,000 of prior year funds to meet a portion of the Department's liability stemming from the termination of the contract with the Ohio Valley Electric Corporation for power to supply the Ports-

mouth Gaseous Diffusion Plant. The conference agreement also includes an offset of \$112,306,000 from Other Defense Activities, which represents the contribution for the defense share of costs at the Idaho site.

ENVIRONMENT, SAFETY AND HEALTH

The conference agreement provides \$23,000,000 for non-defense environment, safety and health activities, which include \$16,000,000 for program direction. The conference agreement includes the transfer of \$2,000,000 to the Occupational Safety and Health Administration (OSHA) for the costs of OSHA regulation of worker health and safety at DOE's non-nuclear facilities not covered under the Atomic Energy Act, and to complete the ongoing safety audits of DOE's ten Science laboratories. The conferees concur with the revised date of May 31, 2004, as proposed by the House for the submission of these audits and associated cost estimates.

ENERGY SUPPLY INFRASTRUCTURE

The conference agreement does not include this new program as proposed by the Senate.

FUNDING ADJUSTMENTS

The conference agreement includes a general reduction of \$10,000,000, and an offset of \$3,003,000 for the safeguards and security charge for reimbursable work, as proposed in the budget request.

NON-DEFENSE SITE ACCELERATION COMPLETION

The conference agreement provides \$163,375,000 for Non-Defense Site Acceleration Completion instead of \$170,875,000 as proposed by the House and \$171,875,000 as proposed by the Senate. None of these funds are available for economic development activities.

2006 Accelerated Completions.—The conference agreement provides \$48,677,000, the same as the budget request, including the requested amounts of \$37,520,000 for soil and water remediation and graphite research reactor decommissioning at Brookhaven National Laboratory, \$3,272,000 for soil and water remediation at Lawrence Berkeley National Laboratory, and \$2,416,000 for soil and water remediation at the Stanford Linear Accelerator Center.

2012 Accelerated Completions.—The conference agreement provides \$119,750,000, the same as the budget request, including the requested amounts of \$99,558,000 for the West Valley Demonstration Project, \$1,320,000 for the High Flux Beam Reactor at Brookhaven National Laboratory, and \$18,467,000 for decontamination and decommissioning of the Energy Technology Engineering Center.

2035 Accelerated Completions.—The conference agreement provides \$4,948,000, including an additional \$2,500,000 to provide a total of \$4,500,000 to accelerate remediation of the Atlas uranium mill tailings site in Moab, Utah.

Funding adjustment.—The conference agreement includes an adjustment of \$10,000,000 for the use of prior year balances.

NON-DEFENSE ENVIRONMENTAL SERVICES

The conference agreement provides \$339,468,000 for non-defense environmental services, an increase of \$47,347,000 over the budget request. None of these funds are available for economic development activities. Additional funds are provided for the depleted uranium hexafluoride conversion project at Paducah and for clean-up activities at Portsmouth, and for the non-defense costs of the new Office of Legacy Management.

Community and regulatory support.—The conference agreement provides \$1,034,000, the same as the budget request.

Environmental cleanup projects.—The conference agreement provides \$43,842,000, the same as the budget request.

Office of Legacy Management (non-defense).—The conference agreement includes \$28,347,000 for the non-defense share of the costs of the new Office of Legacy Management, which is funded primarily under the Other Defense Activities account.

Non-closure environmental activities.—The conference agreement provides \$276,245,000, an increase of \$29,000,000 over the request. The conference agreement includes an additional \$12,000,000 for construction of the depleted uranium hexafluoride conversion project at Paducah, Kentucky. The conference agreement also provides an additional \$17,000,000 to continue the Department's activities at Portsmouth, including enhanced cold standby, deposit removal, cleanup of technetium-99 contamination, and accelerated cleanup of the Gaseous Centrifuge Enrichment Plant (GCEP). The Department is encouraged to work with the contractors and the unions to redeploy the existing cold standby workforce to this variety of tasks in fiscal year 2004. The conferees encourage the Department to continue the existing barter arrangement for part of fiscal year 2004 to resolve the problem of uranium contaminated with technetium-99, and direct the Department to budget funds for this activity in fiscal year 2005. The conference agreement also includes a reduction of \$323,000 for Oak Ridge cleanup activities as requested by the Department.

Funding adjustment.—The conference agreement includes the use of \$10,000,000 of prior year balances to offset fiscal year 2004 spending.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

The conference agreement provides \$416,484,000 for activities funded from the Uranium Enrichment Decontamination and Decommissioning Fund, instead of \$392,002,000 as proposed by the House and \$396,124,000 as proposed by the Senate. None of these funds are available for economic development activities.

This agreement includes \$365,484,000 for decontamination and decommissioning activities. This amount includes an increase of \$2,000,000 over the request to continue support of the Kentucky Consortium for Energy and Environment. Given that the Department and the State of Kentucky have reached agreement on accel-

erated cleanup for the Paducah site, the conference agreement restores the \$26,122,000 reduction proposed by the House. The conference agreement also includes a reduction of \$3,640,000 for Oak Ridge cleanup activities as requested by the Department.

The conferees provide \$51,000,000 for uranium and thorium reimbursements, the same as the requested amount.

SCIENCE

The conference agreement provides \$3,451,700,000 instead of \$3,480,180,000 as proposed by the House and \$3,360,435,000 as proposed by the Senate. The conference agreement does not include language specifying funding allocations as contained in the House and Senate reports. The conferees encourage the Department to request sufficient funds for the Office of Science in fiscal year 2005 to increase operating time, enhance user support, and upgrade essential equipment at the Department's Science user facilities.

The conferees reiterate their support for broader participation by universities in DOE's research programs, including existing user facilities and potential new user facilities. The conferees are aware of the Office of Science's strategy for future facilities. Where existing facilities provide capabilities critical to a new user facility, colocation is appropriate; where this is not the case, the location of new user facilities should be openly competed. Regardless of location, broad participation in design by staff from national laboratories, user faculty from universities, and industrial investigators and groups should be sought. All these user groups must have access to these capabilities on a competitive basis.

High energy physics.—The conference agreement provides \$725,478,000 for high energy physics research, the same as the budget request. The conference agreement also includes the requested amount, \$12,500,000, for construction of the Neutrinos at the Main Injector project at Fermilab. The conferees recognize the efforts by Fermilab, the Office of Science, and the other Science laboratories on the challenges posed by the Tevatron luminosity upgrade. The conferees encourage the Department to accelerate progress on the Supernova/Accelerator Probe (SNAP).

Nuclear physics.—The conference agreement provides \$391,930,000 for nuclear physics, \$2,500,000 over the budget request. The additional funds are provided for research and development and preconceptual design activities in support of the Rare Isotope Accelerator. The conferees encourage the Department to increase operational time for the Continuous Electron Beam Accelerator Facility at the Thomas Jefferson National Accelerator Facility and to move forward expeditiously with the 12GeV upgrade for this facility.

Biological and environmental research.—The conference agreement includes \$592,000,000 for biological and environmental research, an increase of \$92,465,000 over the budget request. The conference agreement provides an additional \$5,000,000 for the Genomes to Life program, an additional \$2,000,000 for the Environmental Molecular Sciences Laboratory, and \$5,000,000 to develop new molecular imaging probes. The conference agreement provides the requested amounts of \$7,776,000 for the Savannah

River Ecology Laboratory and \$17,496,000 for low dose radiation research.

The conference agreement provides \$250,000 for surgical robotics research at the Keck Cancer Center with the Cleveland Clinic; \$250,000 for the Genomics Laboratory at SUNY-Oneonta; \$750,000 for the San Antonio Cancer Therapy and Research Center; \$250,000 for the University of South Alabama Cancer Center; \$250,000 for the University of South Carolina study of groundwater contamination; \$750,000 for the Jacksonville University Environmental Science Center; \$750,000 for the St. Joseph Hospital technology upgrade in California; \$250,000 for green power technology development at Grand Valley State University; \$750,000 to upgrade the Drew University Hall of Science in New Jersey; \$750,000 to upgrade the Pahrump Medical Center; \$750,000 to upgrade the Grover C. Dils Medical Center; \$7,500,000 for the Judson College library, academic and service center; \$500,000 for the T3 MRI for St. Jude's Children Research Hospital in Tennessee; \$250,000 for Ohio State University for environmental research in cooperation with Earth University; \$5,000,000 for the Community Improvement Corporation of Springfield-Clark County for a computing and data management center; \$750,000 for the Mercer University Critical Personnel Development Program; \$750,000 for the Michigan Research Institute life sciences research; \$750,000 for the University of Arizona Institute for Biomedical Science and Biotechnology; \$250,000 for the St. Francis Medical Center Rapid Treatment Unit in Illinois; \$300,000 for the Boulder City Hospital Emergency Room Expansion; \$750,000 for the National Childhood Cancer Foundation; \$750,000 for functional genomics research by the University of Kentucky and the University of Alabama; \$750,000 for the Rensselaer Polytech Center for Quantitative Bioscience; \$750,000 for the Western Carolinas Biotechnology Initiative; \$750,000 for the Vanguard University Science Center; \$750,000 for the Syracuse University Environmental Systems Center; \$750,000 for the University of Tennessee Climate Change Research Initiative; and \$300,000 for the Eckerd College Science Center.

The conference agreement includes \$500,000 for the Biomedical Engineering Laboratory at the Center for Biomedical Engineering in Louisiana; \$150,000 for the Derby Center for Science and Mathematics at Lyon College; \$500,000 for the Experimental Medicine Program at the Dana Farber Cancer Institute; \$500,000 for the Clafin University Science Center; \$500,000 for the Life Sciences Facility, Tennessee State University; \$1,000,000 for the Rush-Presbyterian-St. Luke's Medical Center; \$1,000,000 for the Carnegie Mellon University Green Chemistry Project; \$500,000 for the College of Mount St. Vincent Science Hall; \$500,000 for the Urban Education Research Center in Pennsylvania; \$500,000 for genomics research at Indiana University; \$1,000,000 for the Illinois Museum of Science and Industry; \$1,000,000 for the Georgia State University Science Research & Teaching Lab; \$1,000,000 for the Northwestern University Institute of Bioengineering and Nanoscience in Medicine; \$500,000 for the Nuclear Resonance Mass Spectrometer at the University of Massachusetts Medical School; \$500,000 for St. Joseph Hospital in Arizona; \$500,000 for Comparative Functional Genomics at New York University; \$1,000,000 for

Augsburg College; \$1,000,000 for the Bronx Community Center for Sustainable Energy; \$1,000,000 for the Carolinas Medical Center; \$1,000,000 for the Michigan Technology Center for Nanostructure and Light Weight Materials; \$500,000 for the Tri-State University Technology Center; \$2,000,000 for the Notre Dame Multi-Discipline Engineering Center; and \$1,000,000 for the University of Southern California Center for Excellence in Neurogenetics.

The conference agreement includes \$10,000,000 for the Mental Illness and Neuroscience Discovery Institute; \$2,000,000 for the University of New Mexico medical building; \$2,500,000 for the University of Northern Iowa building design and engineering; \$500,000 for the University of Dubuque Environmental Science Center; \$750,000 for the University of Missouri Cancer Center; \$1,000,000 for the Earth University Foundation in Georgia; \$750,000 for material research for energy security in Idaho; \$750,000 for advanced bioreactor technology development in Montana; \$1,000,000 for the CHP project at Mississippi State University; \$1,000,000 for the University of Alabama-Huntsville Climate Action Project; \$500,000 for the Hackensack medical building in New Jersey; \$750,000 for the Middletown Regional Hospital in Ohio; \$1,000,000 for Clean Energy Research at the University of Delaware; and \$500,000 for the Center for Advanced Research in Texas.

The conference agreement includes \$750,000 for the Swedish American Regional Cancer Center; \$250,000 for the Cancer Center at Edward Hospital; \$500,000 for the Morgan State University Center for Environmental Toxicology; \$1,000,000 for Digitalization of the Cardiac Cath Lab at the University Medical Center of Southern Nevada; \$1,000,000 for Mega Voltage Cargo Imaging Development Applications for the Nevada Test Site; \$1,000,000 for the Nevada Cancer Institute; \$1,500,000 for a Structural Biology Research Center at the Hauptman-Woodward Medical Research Institute; \$2,000,000 for the University of Buffalo Center of Excellence in Bioinformatics; \$1,000,000 for the Huntsman Cancer Institute; \$250,000 for the St. Francis Hospital Emergency Services Department; \$300,000 for the Christiana Comprehensive Cancer Initiative; \$500,000 for the University of Massachusetts at Boston Multidisciplinary Research Facility and Library; \$400,000 for the Robert Wood Johnson University Hospital; \$100,000 for the Hackensack University Medical Center; \$1,000,000 for the Coastal Research Center at the Medical University of South Carolina; \$500,000 for the Mary Bird Perkins Cancer Center; \$750,000 for the Tahoe Center for Environmental Sciences; \$500,000 for Adventist Health Care; \$1,000,000 for the Environmental Control and Life Support Project; \$1,000,000 for the Southern California Water Education Center; \$1,000,000 for the University of Nevada-Reno to conduct nuclear waste repository research in the areas of materials evaluation, fundamental studies on degradation mechanisms, alternate materials and design, and computational and analytical modeling; \$1,000,000 for the Research Foundation at the University of Nevada-Las Vegas to conduct safety and risk analyses, simulation and modeling, systems planning, and operations and management to support radioactive and hazardous materials transportation; \$1,000,000 for the Research Foundation at the University of Nevada-Las Vegas to assess earthquake hazards and seismic risk in

Southern Nevada; \$1,000,000 for the University of Nevada-Reno to expand the earthquake engineering and simulation facility; and \$100,000 for the Space Grant Consortium at the Desert Research Institute.

Basic energy sciences.—The conference agreement includes \$1,016,575,000 for basic energy sciences, an increase of \$8,000,000 over the budget request. The conference agreement includes \$575,711,000 for materials sciences and engineering research, and \$220,914,000 for chemical sciences, geosciences, and energy biosciences. The additional \$8,000,000 for materials sciences and engineering research is to support additional nanoscience research at existing user facilities and the new nanoscale science research centers. For purposes of reprogramming in fiscal year 2004, the Department may reallocate funding among all operating accounts within Basic Energy Sciences.

The conference agreement provides the requested amounts of \$124,600,000 for construction of the Spallation Neutron Source (99-E-334); \$35,000,000 for the Molecular Foundry (94-R-313); \$29,850,000 for the Center for Integrated Nanotechnologies (04-R-313); \$20,000,000 for the Center for Nanophase Materials Sciences (03-R-312); \$7,500,000 for project engineering and design (PED) for the Linac Coherent Light Source (03-SC-002); and \$3,000,000 for the Center for Functional Nanomaterials (02-SC-002). The conference agreement also provides the request of \$7,673,000 for the Experimental Program to Stimulate Competitive Research (EPSCoR).

Advanced scientific computing research.—The conference agreement includes \$203,490,000 for advanced scientific computing research (ASCR), an increase of \$30,000,000 over the budget request. The conferees provide these additional funds for the Department to acquire additional advanced computing capability to support existing users in the near term and to initiate longer-term research and development on next generation computer architectures. The conferees expect that, to the maximum extent practicable, these funds will be awarded among various technologies, laboratories, universities, and private sector suppliers using a merit-based, competitive process. The conferees support the High End Computing Revitalization Task Force established by the Office of Science and Technology Policy, and expect the Department to participate fully in this inter-agency effort.

Science laboratories infrastructure.—The conference agreement provides \$54,590,000 for science laboratories infrastructure, including an additional \$10,000,000 to correct safety deficiencies at Science laboratories for the purpose described in the House report, and \$1,000,000 additional for excess facilities disposal for the 88-inch cyclotron at Lawrence Berkeley National Laboratory. From within available funds, the conferees expect the Department to provide not less than \$15,600,000 to meet infrastructure needs at Oak Ridge National Laboratory.

The conferees support the ongoing effort to determine realistic costs for the transition to external regulation, and adopt the House-recommended date of May 31, 2004, for completion of the safety compliance audits and associated costs estimates for the ten Science laboratories. The conferees also support the House direc-

tion to the Department to begin budgeting for the necessary corrective actions beginning in fiscal year 2005.

The conference agreement provides the requested amounts of \$1,520,000 for infrastructure support, \$5,079,000 for Oak Ridge landlord costs, \$29,936,000 for construction of various infrastructure projects (MEL-001), and \$2,000,000 for project MEL-001-36 at the Stanford Linear Accelerator Center under Science Laboratories Infrastructure Project Engineering Design (04-SC-001).

Fusion energy sciences.—The conference agreement includes \$264,110,000 for fusion energy sciences, an increase of \$6,800,000 over the budget request. The budget request proposed \$12,000,000 for the International Thermonuclear Experimental Reactor (ITER), but did so by displacing \$10,800,000 of ongoing domestic fusion research. The conference agreement provides \$8,000,000 for ITER activities in fiscal year 2004, and restores \$6,800,000 to domestic fusion research. The conferees strongly caution the Department against submitting any future budget requests for ITER that are funded at the expense of domestic research.

Safeguards and security.—The conference agreement includes \$51,887,000 for safeguards and security activities at laboratories and facilities managed by the Office of Science. The additional \$3,760,000 over the budget request represents the costs for safeguards and security support contracts that were transferred out of Science Program Direction into this subaccount.

Science workforce development.—The conference agreement provides the requested amount of \$6,470,000 for science workforce development. The conferees advise the Department to apply the Laboratory Science Teacher Professional Development initiative to all five multiprogram Science laboratories rather than just to one laboratory. The conferees also encourage the Department to provide funds and technical expertise for high school students to participate in the 2004 For Inspiration and Recognition of Science and Technology (FIRST) Robotics competition. FIRST has proven to be a valuable program to introduce and mentor students in math and science.

Science program direction.—The conference agreement includes \$147,053,000 for science program direction. This amount includes \$80,102,000 for field offices, \$58,217,000 for headquarters, \$7,714,000 for the Technical Information Management program, and \$1,020,000 for Energy Research Analyses. The control level for fiscal year 2004 is at the program account level of Science Program Direction.

Funding adjustments.—The conference agreement includes an offset of \$4,383,000 for the safeguards and security charge for reimbursable work, as proposed in the budget request. The conference agreement also includes the use of \$10,000,000 of prior year balances.

NUCLEAR WASTE DISPOSAL

The conference agreement provides \$190,000,000 for Nuclear Waste Disposal, instead of \$335,000,000 as proposed by the House and \$140,000,000 as proposed by the Senate. When combined with the \$390,000,000 appropriated from the Defense Nuclear Waste

Disposal account, a total of \$580,000,000 will be available for program activities in fiscal year 2004.

DEPARTMENTAL ADMINISTRATION

The conference agreement provides \$313,212,000 for Departmental Administration expenses. Including a transfer of \$86,679,000 from Other Defense Activities, revenues of \$123,000,000, the same as estimated by the Congressional Budget Office, and the use of \$10,000,000 of prior year balances, this results in a net appropriation of \$93,533,000.

Specific funding levels for each Departmental organization are provided in the accompanying table.

Chief Information Officer.—The conferees provide \$35,000,000 and direct the additional funds over the fiscal year 2003 funding level be used for implementation of STARS and the data warehouse for the Department's financial data.

Office of Management, Budget and Evaluation.—The conference agreement directs the Office of Environmental Management to transfer \$2,500,000 from Defense Site Acceleration Completion to continue external independent reviews by the Office of Engineering and Construction Management of proposed Environmental Management projects and programs and to provide increased oversight of the Environmental Management accelerated cleanup contracts. To continue to train and certify DOE project managers, the conferees direct the Department to arrange financing of not less than \$2,500,000 from the Working Capital Fund to fund training under the Project Management Career Development Program.

Working Capital Fund.—The conferees renew the guidance as presented in House Report 107–681 regarding management of the Working Capital Fund.

Work for Others.—The conference agreement for the cost of the Work for Others program is \$69,682,000, the same as in fiscal year 2003. The conferees adopt the Congressional Budget Office estimate of \$123,000,000 for revenues from Work for Others activities.

Funding Adjustments.—The conference agreement includes the use of \$10,000,000 of prior year balances.

Transfer from Other Defense Activities.—The conferees believe that defense-related programs should fund a proportional share of total Departmental Administration costs. By the conferees' calculation, the Department's defense-related activities account for 70.3 percent of the Department's total budget request for fiscal year 2004. Subtracting out the costs for the National Nuclear Security Administration (NNSA), which has largely established its own corporate functions analogous to Departmental Administration functions, the remaining defense-related costs account for 32.7 percent of the Department's total budget. For the gross Departmental Administration request of \$351,306,000 in fiscal year 2004, the minimum defense contribution should have been \$114,877,000. Using some other system of mathematics, the Department requested only \$25,000,000 as the defense share of Departmental Administration. The conferees consider this an inadequate share of Departmental Administration costs, and provide instead \$86,679,000, the same contribution from Other Defense Activities as provided in fiscal

year 2003. The conferees direct the Department to submit a budget request for fiscal year 2005 that reflects a proportional contribution from Other Defense Activities for these Departmental Administration costs.

Reprogramming guidelines.—The conference agreement provides reprogramming authority of \$1,000,000 or 10 percent, whichever is less, within the Departmental Administration account without prior submission of a reprogramming to be approved by the House and Senate Committees on Appropriations. No individual program account may be increased or decreased by more than this amount during the fiscal year using this reprogramming authority. Congressional notification within 30 days of the use of this reprogramming authority is required. Transfers which would result in increases or decreases in excess of \$1,000,000 or 10 percent to an individual program account require prior notification and approval.

OFFICE OF THE INSPECTOR GENERAL

The conference agreement provides \$39,462,000 for the Inspector General as proposed by the House and the Senate.

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

The National Nuclear Security Administration (NNSA), a semi-autonomous agency within the Department of Energy, manages the Nation's nuclear weapons, nuclear nonproliferation, and naval reactors activities.

Availability of funds.—The conference agreement makes funds appropriated to the NNSA available until expended as proposed by the Senate.

Stockpile Plan.—The conferees direct the Secretary of Energy in conjunction with the Secretary of Defense to provide a report to the Appropriations and Armed Services Committees of Congress providing a revised Nuclear Weapons Stockpile plan that supports the President's revised Nuclear Weapons Stockpile Memorandum. The revised Nuclear Weapons Stockpile plan should detail the Department of Defense and Department of Energy's program plan and detailed schedule to achieve the President's proposed inventory adjustments to the Total Strategic Stockpile, reducing the Operationally Deployed weapons to 1,700–2,200 by 2012, as well as the inventory adjustments to the other categories of the nuclear stockpile (i.e., Strategic Active and Inactive Stockpile) by weapon systems and warhead type. The conference agreement restricts a portion of the funds provided for Advanced Concepts research on nuclear weapons pending congressional review of the Nuclear Stockpile report. This report is due to the Appropriations and Armed Services Committees concurrent with the submission of the fiscal year 2005 budget request.

WEAPONS ACTIVITIES

The conference agreement provides \$6,272,511,000 for Weapons Activities instead of \$6,117,609,000 as proposed by the House and \$6,473,814,000 as proposed by the Senate.

Reprogramming.—The conference agreement provides limited reprogramming authority within the Weapons Activities account without submission of a reprogramming to be approved in advance by the House and Senate Committees on Appropriations. The reprogramming thresholds will be as follows: directed stockpile work, science campaigns, engineering campaigns, inertial confinement fusion, advanced simulation and computing, pit manufacturing and certification, readiness campaigns, and operating expenses for readiness in technical base and facilities. This should provide the needed flexibility to manage these programs.

In addition, funding of not more than \$5,000,000 may be transferred between each of these categories and each construction project subject to the following limitations: only one transfer may be made to or from any program or project; the transfer must be necessary to address a risk to health, safety or the environment or to assure the most efficient use of weapons activities funds at a site; and funds may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

Congressional notification within 15 days of the use of this reprogramming authority is required. Transfers during the fiscal year which would result in increases or decreases in excess of \$5,000,000 or which would be subject to the limitations outlined in the previous paragraph require prior notification and approval from the House and Senate Committees on Appropriations. Failure to notify the Committees within the 15-day period will result in denial of the reprogramming.

W80 life extension project.—The conferees have had a special interest in the W80 warhead stockpile life extension project (W80 LEP) and have consistently asked for unambiguous answers from the NNSA and the Air Force justifying the significant budget increases and the aggressive schedule for the W80 LEP. In fiscal year 2000, the Nuclear Weapons Council agreed to a W80 LEP schedule assuming a W80 LEP First Production Unit (FPU) in fiscal year 2006. Based on information provided by the Department of Energy submitted subsequent to the fiscal year 2004 budget request, the conferees understand that both the NNSA and the Department of Defense have agreed to a revised W80 LEP baseline delaying the FPU requirement until 4th quarter fiscal year 2007. Because the fiscal year 2006 FPU baseline milestone resulted in a very aggressive W80 LEP program, the conferees reduced the significant budget request for the W80 LEP in fiscal year 2004.

Directed stockpile work.—The conference agreement includes \$1,340,286,000 for directed stockpile work instead of \$1,343,786,000 as proposed by the House and \$1,367,786,000 as proposed by the Senate.

The conference agreement provides \$412,650,000 for stockpile research and development, a reduction of \$20,500,000 from the budget request. The budget adjustments in stockpile R&D include

a reduction of \$13,000,000 from the budget request consistent with the W80 rebaselining reductions and a \$7,500,000 reduction in the robust nuclear earth penetrator study budget request.

Advanced Concepts.—The conferees provide \$6,000,000 for Advanced Concepts, as proposed by the Senate, of which \$4,000,000 is available for obligation only after the official delivery of a revised Nuclear Weapons Stockpile plan to Congress and a 90-day review period by the House and Senate Committees on Appropriations and the Committees on Armed Services. The revised Nuclear Weapons Stockpile plan should detail the Department of Defense and Department of Energy's program plan and detailed schedule to achieve the President's proposed inventory adjustments to the Total Strategic Stockpile, including the Strategic Active Stockpile and Inactive Stockpile, by weapon systems and warhead type.

Robust Nuclear Earth Penetrator.—The conferees provide \$7,500,000 for the Robust Nuclear Earth Penetrator study, instead of \$5,000,000 as proposed by the House and \$15,000,000 as proposed by the Senate. The conferees remind the Administration that none of the funds provided may be used for activities at the engineering development phases, phase 3 or 6.3, or beyond, in support of advanced nuclear weapons concepts, including the Robust Nuclear Earth Penetrator.

The conference agreement provides \$409,746,000 for stockpile maintenance, an increase of \$4,000,000 from the budget request. Within the funds available for stockpile maintenance the conference agreement provides a \$10,000,000 increase for activities at the Y-12 plant in Tennessee to complete closeout W87 LEP activities in fiscal year 2004. The conference agreement includes a \$6,000,000 reduction in W80 stockpile maintenance activities consistent with the W80 rebaselining. The conference agreement provides \$201,885,000 for stockpile evaluation, a reduction of \$1,000,000 from the budget request consistent with the W80 rebaselining reductions. In the dismantlement/disposal program the conferees have provided \$37,722,000, the same as the budget request. In the production support program, the conferees have provided \$271,113,000, a reduction of \$7,000,000 from the budget request. In field engineering, training and manuals program, the conferees have provided \$7,170,000, the same as the budget request.

Campaigns.—Funding for individual campaigns is shown on the accompanying table. The conferees agree with the House language requesting detailed project baseline data for each campaign showing the total, annual, and five-year costs, schedule, scope, and deliverables for individual project activities as part of the annual budget request.

From within funds provided for the various campaigns, \$4,300,000 is provided for the University Research Program in Robotics.

For science campaigns, the conference agreement provides \$250,548,000, a reduction of \$19,000,000 from the budget request. The conference agreement provides \$57,849,000 for primary certification, a reduction of \$8,000,000 from the budget request. In the dynamic materials properties program, the conferees have provided \$82,251,000 the same as the budget request. Using \$5,000,000 within the funds provided for dynamic materials properties, the

NNSA is directed to make full use of existing and developing capabilities for materials properties studies, including the subcritical experiments at the U1a facility, Joint Actinide Shock Physics Experimental Research facility and the Atlas facility at the Nevada Test Site. In the advanced radiography program, the conferees have provided \$55,985,000, a reduction of \$10,000,000 from the budget request. In the secondary certification and nuclear systems margins program, the conferees have provided \$54,463,000, a reduction of \$1,000,000 from the budget request.

For engineering campaigns, the conference agreement provides \$344,387,000, an increase of \$13,200,000 over the budget request. Enhanced surety is funded at \$32,974,000, a reduction of \$5,000,000 from the request, consistent with the W80 rebaselining reductions. In the weapons system engineering certification program, the conferees have provided \$27,238,000, a reduction of \$1,000,000 from the budget request. In the nuclear survivability program, the conferees have provided \$22,977,000, a reduction of \$1,000,000 from the budget request. In the enhanced surveillance program, the conferees have provided \$91,781,000, a reduction of \$3,000,000 from the budget request. In the advanced design and production technologies program, the conferees have provided \$77,917,000, a reduction of \$2,000,000 from the budget request.

Engineering campaign construction projects.—The conference agreement provides \$87,000,000, an increase of \$25,200,000 over the budget request, for Project 01-D-108, Microsystem and engineering science applications (MESA) at Sandia, in New Mexico.

Inertial Confinement Fusion (ICF) Ignition and High Yield.—The conferees include \$517,269,000 for the inertial confinement fusion ignition and high yield program, an increase of \$50,500,000 over the budget request.

National Ignition Facility.—Within the funds provided, \$150,000,000 is for National Ignition Facility (NIF) construction, Project 96-D-111, and \$367,269,000 is for the ICF ignition and high yield program. Within the funds provided for the NIF program, the conferees direct the Department to fund a public-private research and development activity focused on damage resistant gratings at not less than \$1,000,000.

The conferees note that NIF construction funds and NIF program funds have been provided consistent with the Administration's request, but are concerned that these budget figures are not consistent with the revised NIF baseline due to the Department's decision to fund a variety of NIF-related projects and programs within the overall NIF program. While the conferees are supportive of these activities and believe them necessary to achieve the goal of ignition, they strongly recommend that the Department submit future budgets that fund these activities as one or more separate line items.

Inertial Fusion Technology.—The conferees also include \$25,000,000 to continue development of high average power lasers and supporting science and technology, the budget request of \$10,467,000 for the Naval Research Laboratory, and \$63,132,000 for the University of Rochester, an increase of \$20,000,000 over the budget request. The additional funding is provided to the University of Rochester's Laboratory for Laser Energetics for the OMEGA

Extended Performance (EP) Facility in support of the Nation's stockpile stewardship program. The conferees expect additional funding requirements to complete Omega EP construction will be included by the Department in future budget requests. Additionally, the conferees provide funding of \$4,000,000 to initiate assessments and initial development and testing of Z-Pinch inertial fusion energy.

Petawatt Lasers.—The conferees also include an additional \$4,500,000 for university grants and other support. Within this amount, \$2,500,000 is provided for the continued development of an ultra short-pulse petawatt laser at the University of Texas; and \$2,000,000 is provided to continue short-pulse laser development and research at the University of Nevada-Reno.

The conferees agree with the Senate position that high intensity laser physics enables major new areas of science and engineering endeavor in the United States and that advances in this field will enable important progress in critical aspects of basic science, fusion energy, and national security. A robust, coordinated program in high intensity lasers will affordably maintain U.S. leadership in this critically important area. Accordingly, the conferees direct the Department to pursue a joint high intensity laser program with the National Science Foundation. The conferees further direct the NNSA and the Department's Office of Science to develop, in collaboration with the NSF, a report that identifies the benefits and disadvantages of multi-agency coordinated research in high intensity laser science and delineates how a joint program in this area will be structured. This report shall be delivered to the House and Senate Committees on Appropriations no later than April 15, 2004.

For advanced simulation and computing, the conference agreement provides \$725,626,000, as proposed by the Senate. From within available funds for advanced simulation and computing, \$6,000,000 is provided for the development of a data-intensive computing center to be operated by the Ohio Supercomputing Center at its Springfield, Ohio site; \$3,000,000 is provided to demonstrate three-dimensional chip scale packaging integrated with spray cooling. The conferees direct the University Partnerships program be funded at the budget request.

For the pit manufacturing and certification campaign, the conference agreement provides \$298,528,000 a reduction of \$21,700,000 from the budget request. The conference agreement provides \$126,773,000 for W88 pit manufacturing and \$108,592,000 for W88 pit certification, the same as the budget request. Providing the requested level of funding will ensure that the NNSA maintains its commitment to produce a certified W88 pit by 2007. The conference agreement provides \$10,000,000 for Pit Manufacturing Capability instead of \$4,700,000 as proposed by the House and \$19,700,000 as proposed by the Senate. The conference agreement provides \$10,810,000 for the Modern Pit Facility, a reduction of \$12,000,000 from the request. The conferees agree with the House Report that until the Congress reviews the revised future Stockpile plan it is premature to pursue further decisions regarding the Modern Pit Facility.

For readiness campaigns, the conference agreement provides \$247,097,000, a reduction of \$10,000,000 from the budget request.

Funding for the Stockpile readiness campaign includes \$55,158,000, the same as the budget request. High explosives manufacturing and weapons assembly/disassembly readiness is funded at \$23,649,000, instead of \$19,649,000 as proposed by the House and \$27,649,000 as proposed by the Senate. The \$6,000,000 reduction to the budget request for this program slows the significant program growth from the previous year. The conference agreement provides \$33,397,000 for Non-nuclear readiness, a reduction of \$4,000,000 as proposed by the House, consistent with the W80 re-baselining reductions. Funding for the tritium readiness campaign includes \$134,893,000, the same as the budget request.

Readiness in technical base and facilities.—For readiness in technical base and facilities, the conference agreement provides \$1,027,773,000 for operations of facilities, an increase of \$55,000,000 over the budget request, and includes several funding adjustments.

Within funds provided for operations of facilities, the conferees direct that, at a minimum, an additional \$5,000,000 be provided for the Pantex Plant in Texas and an additional \$5,000,000 be provided for the Y-12 Plant in Oak Ridge, Tennessee; an additional \$5,000,000 for the Kansas City Plant to address pension liability issues; and an additional \$10,000,000 for Los Alamos National Laboratory. The conference agreement provides an additional \$5,000,000 to support operation of facilities at the Nevada Test Site (NTS), including the Device Assembly Facility, the Joint Actinide Shock Physics Experimental Research facility, operations associated with the Atlas relocation project, U1a operations, general plant projects and other NTS support facilities. An additional \$25,000,000 is provided for continued facility upgrades, refurbishments, operations and maintenance costs associated with and for the National Center for Combating Terrorism (NCCT). Within the funds available for the NCCT, not less than \$5,000,000 is provided jointly to the Institute for Security Studies at UNLV and the Consortium of Terrorism Studies and Fire Science at the University of Nevada, Reno. The conference agreement includes an additional \$5,000,000 for modifications of the Z-beamlet laser to the Z machine operations at Sandia. Within available funds, the conference agreement includes \$3,000,000 for technology transfer activities as proposed by the Senate. The conference agreement provides \$500,000 within available funds for the NNSA to utilize the capabilities of its national laboratories for a joint effort with the U.S. Consumer Product Safety Commission on sensor technologies and applications as proposed by the Senate.

For program readiness, the conference agreement provides \$131,093,000 the same as the budget request.

Test Readiness.—Within funds provided for program readiness activities the conference agreement provides \$24,891,000 for test readiness in Nevada, the same as the budget request. The conferees recognize that test readiness activities in Nevada were allowed to atrophy during the last decade under the current nuclear test moratorium as documented by the DOE Inspector General and the NNSA's internal assessments. However, the conferees expect the NNSA to focus on restoring a rigorous test readiness program that is capable of meeting the current 24-month requirement before

requesting significant additional funds to pursue a more aggressive goal of an 18-month readiness posture. The conferees expect the House and Senate Appropriations Committees be kept informed on the progress of restoring the current test readiness program. The conferees remind the Administration that Congressional authorization must be obtained before proceeding with specific activities that support the resumption of testing.

For special projects, the conference agreement provides \$51,675,000, an increase of \$8,700,000 over the budget request. Within funds provided for special projects, the conference agreement includes \$6,900,000 for the New Mexico Education Enrichment Foundation; \$1,000,000 for the preservation of Manhattan Project historical sites; \$500,000 for the Atomic Testing History Institute; \$1,000,000 for the UNLV Research Foundation; \$2,000,000 for stockpile stewardship research at the Nevada terawatt facility at the University of Nevada-Reno; \$3,000,000 is provided for Total Asset Management Suite (TAMS) technology to be applied to a defense lab or site; \$3,000,000 is provided for a defense and security research center; and the budget request for the Los Alamos County Schools.

The conference agreement includes \$76,189,000 for materials recycle and recovery, the same as the budget request.

The conference agreement includes the budget request of \$16,006,000 for containers, \$11,365,000 for storage, and \$89,694,000 for nuclear weapons incident response.

Construction projects.—For construction projects in RTBF, the conference agreement includes \$260,440,000, a \$12,936,000 reduction from the budget request. The conferees included the following adjustments to reflect the latest program planning assumption. The conference agreement provides \$10,000,000 for Project 04-D-125, Chemistry and Metallurgy Facility Replacement (CMR-R) at Los Alamos in New Mexico, a reduction of \$10,500,000 from the budget request; \$11,300,000 for Project 03-D-121, Gas Transfer Capacity Expansion, at Kansas City Plant, Kansas City, a reduction of \$4,000,000 from the budget request; \$3,564,000 for Project 04-D-103, Project Engineering and Design (PED), various locations, an increase of \$1,564,000 from the budget request.

Facilities and infrastructure recapitalization.—The conference agreement includes \$240,123,000 for the facilities and infrastructure (F&I) recapitalization program, a reduction of \$25,000,000 from the budget request due to funding constraints. The conferees agree with the House direction to procure decontamination, decommissioning and demolition services through an open competitive process to the greatest extent practicable. At least \$45,000,000 is to be used to dispose of excess facilities.

Secure Transportation Asset.—The conference agreement provides \$162,400,000 for secure transportation asset, as proposed by the Senate. The fiscal year 2003 supplemental included an additional \$20,000,000 for the secure transportation asset and the conferees direct the use of the carryover balances for fiscal year 2004. The secure transportation asset program provides for the safe, secure movement of nuclear weapons, special nuclear material, and weapon components between military locations and nuclear complex facilities within the United States.

Safeguards and security.—The conference agreement includes \$585,750,000, the same as the budget request, for safeguards and security activities at laboratories and facilities managed by the National Nuclear Security Administration. The conferees are aware that there are unique security requirements at the Y-12 plant in Tennessee and that additional resources are needed to address the current deficiencies. The conferees direct the NNSA to address those security needs within available funds or propose a re-programming action to provide the necessary resources.

Funding adjustments.—The conference agreement includes an adjustment of \$28,985,000 for a security charge for reimbursable work, as proposed in the budget, and the use of \$74,753,000 in prior year balances. In addition, the conferees direct the Department to use \$23,000,000 of prior year funds to meet a portion of the Department's liability stemming from the termination of the contract with the Ohio Valley Electric Corporation for power to supply the Portsmouth Gaseous Diffusion Plant.

DEFENSE NUCLEAR NONPROLIFERATION

The conference agreement provides \$1,327,612,000 for Defense Nuclear Nonproliferation instead of \$1,280,195,000 as proposed by the House and \$1,340,195,000 as proposed by the Senate.

Availability of funds.—The conference agreement makes the funds available until expended as proposed by the Senate.

Liability Protection for U.S. interests in Russia.—The conferees are greatly concerned with the continued impasse between the United States and Russia on negotiations over liability protections for U.S. companies and personnel conducting nonproliferation work in Russia. The conferees place great importance on the continued successful implementation of the Department's nuclear nonproliferation activities and are concerned that in allowing the government-to-government implementing agreements to lapse for the Nuclear Cities Initiative and Plutonium Disposition activities, the Administration is creating unnecessary impediments to the effective implementation of nuclear nonproliferation programs. Additional delays in program implementation not only carry the risk of disrupting important nuclear nonproliferation activities but also exacerbate the problem of ever-increasing prior year balances carried by the Nuclear Nonproliferation program each year. The conferees urge a speedy resolution to the liability negotiations.

Nonproliferation and verification research and development.—The conference agreement provides \$233,373,000 for nonproliferation and verification research and development, an increase of \$29,500,000 from the request. The conference agreement includes \$20,000,000, the same as the budget request, for ground-based systems for treaty monitoring.

The conference agreement does not adopt the House language requiring all nonproliferation and verification research and development funds be competed using the Technical Support Working Group (TSWG) Broad Area Announcement process.

From within available funds for research and development activities, \$7,000,000 is provided to support ongoing activities at the Remote Sensing Test and Evaluation Center (RSL) at the Nevada Test Site to recover eroding emergency response infrastructure, re-

place aging equipment, and upgrade current technology. From within the funds provided to RSL, the recommendation includes \$2,000,000 for the University of Nevada-Reno for the development of chemical, biological, and nuclear detection sensors.

The conference agreement provides \$3,000,000 for the Incorporated Research Institutions for Seismology PASSCAL Instrument Center. The conferees intend fiscal year 2004 to be the last year of funding for the PASSCAL Instrument Center provided for within this account. Within available funds, the NNSA is directed to provide \$15,000,000 in support of the nuclear and radiological national security program. The conference agreement provides \$2,500,000 for the University of South Florida Center for Biological Defense; \$1,000,000 for the George Mason University Center for Biodefense; and \$1,000,000 for SUNY-Binghamton Advanced Sensor Design and Threat Detection.

The conferees continue to support more opportunity for open competition in appropriate areas of the nonproliferation and verification research and development program. The conferees expect the Department to continue to implement recommendations provided by the external review group in support of open competition and direct the Department to continue a free and open competitive process for at least 25 percent of its research and development activities during fiscal year 2004 for ground-based systems treaty monitoring. The competitive process should be open to all Federal and non-Federal entities. From within funds provided for ground-based systems treaty monitoring, the conferees include \$2,500,000 in support of the Caucasus Seismic Information Network. These funds are provided outside the 25 percent of ground-based systems treaty monitoring funds to be awarded by the Department through a free and open competitive process.

Nonproliferation and international security.—The conference agreement provides \$110,734,000 for nonproliferation and international security, an increase of \$9,000,000 over the budget request. Within the additional funds, the conferees provide the budget request of \$3,000,000 for accelerated Reduced Enrichment for Research and Test Reactors (RERTR) and \$1,000,000 for the HEU Research Reactor Fuel Purchase initiative as proposed under the Accelerated Materials Disposition proposal. The conferees provide \$5,000,000 for initiatives focused on removing nuclear weapons-usable materials from vulnerable sites around the world as proposed by Senate.

Nonproliferation programs with Russia.—The conferees continue to be concerned that too much of the money for Russian programs is being spent in the United States at the Department of Energy's own facilities rather than going to the facilities in Russia. The Department is directed to submit a plan to the Committees on Appropriations that shows how the ratio of the funding within each program that is spent in Russia versus the funding that remains in the United States for the Department's contractors will be increased significantly in each subsequent fiscal year.

International materials protection, control and cooperation (MPC&A).—The conference agreement includes \$260,000,000 for the MPC&A program, an increase of \$34,000,000 over the budget request. Within funds provided for MPC&A, the conferees provide

\$28,000,000 for accelerating the Second Line of Defense MegaPorts Initiative and other critical border activities and \$5,000,000 for other high priority MPC&A activities, to include countries outside the Former Soviet Union (FSU) such as Pakistan, India, and China.

Accelerated Materials Disposition.—The conferees provide no funding for the Accelerated Materials Disposition (AMD) initiative. The conferees continue to be highly supportive of the successful U.S./Russian HEU Purchase Agreement to blend down 500 metric tons of highly enriched uranium over twenty years. The conferees are supportive of the House language on the AMD proposal and direct the Department to develop a rigorous risk-based priority setting process for allocating budget resources to the activity with the highest nonproliferation benefit. The conferees provide the funding request for accelerated Reduced Enrichment for Research and Test Reactors (RERTR) and the HEU Research Reactor Fuel Purchase under Nonproliferation and International Security account and the accelerated Material Consolidation and Conversion (MCC) program in the International materials protection, control and cooperation (MPC&A) account.

Russian Transition Initiatives.—The conference agreement provides \$40,000,000, the same as the budget request, for the Initiatives for Proliferation Prevention (IPP) program and the Nuclear Cities Initiative (NCI). The conferees are troubled by the continuing liability provision impasse that caused the lapsing of the NCI implementing agreement. The conferees urge the Department to work aggressively with the State Department and their Russian counterparts to conclude the liability provision negotiations expeditiously prior to significant delays to nonproliferation work in Russia.

HEU transparency implementation.—The conference agreement provides \$18,000,000, the same as the budget request.

International nuclear safety.—The conference agreement provides \$4,000,000, a reduction of \$10,083,000 from the budget request, for the international nuclear safety program. The conferees note the successful conclusion of the Soviet-designed reactor safety program in fiscal year 2003 and expect the Department to close out all remaining International Nuclear Safety activities in fiscal year 2004 with the funds provided.

Elimination of weapons-grade plutonium production.—The conference agreement includes the budget request of \$50,000,000 for the elimination of weapons-grade plutonium production program.

Fissile materials disposition.—The conference agreement provides \$656,505,000 for fissile materials disposition, the same as the budget request. The conferees direct the Department to continue the thorium-based fuel cycle program currently being conducted by the Russian Research Centre Kurchatov Institute in conjunction with their U.S. industrial partners. Within available funds the conference agreement provides \$4,000,000 to be used in Russia for testing and evaluation of those test results to confirm this thorium-based fuel's plutonium disposition qualities in Russian VVER-1000 reactors and other non-proliferation and environmental benefits. The testing will include irradiation experiments at the IR-8 reactor at Kurchatov Institute. The objective of this testing and evaluation

is to assess the timeframe, cost, and technical feasibility of this thorium-based fuel cycle for plutonium disposition in Russia, with a goal of lead test assemblies in 2006 in a Russian VVER-1000 nuclear power plant.

Funding adjustments.—The conference agreement includes the use of \$45,000,000 of prior year balances.

NAVAL REACTORS

The conference agreement provides \$766,400,000 for Naval Reactors.

Funding adjustments.—The conference agreement includes the use of \$2,000,000 of prior year balances. In addition, the conferees direct the Department to use \$2,000,000 of prior year balances to meet a portion of the Department's liability stemming from the termination of the contract with the Ohio Valley Electric Corporation for power to supply the Portsmouth Gaseous Diffusion Plant.

OFFICE OF THE ADMINISTRATOR

The conference agreement provides \$339,980,000 for the Office of the Administrator instead of \$341,980,000 as proposed by the House and \$337,980,000 as proposed by the Senate. These funds are available until expended as proposed by the Senate. Statutory language providing \$12,000 for official reception and representation expenses has also been included.

The conferees direct the Administrator of NNSA to provide at least \$2,500,000 for the NNSA Office of Project Management and Engineering Support to continue its project oversight work and to provide training and mentoring programs to improve the skills of NNSA program and project managers.

Defense Nuclear Nonproliferation.—The conference agreement provides \$58,000,000 for the Federal employees in the Office of Defense Nuclear Nonproliferation. None of these funds may be taxed by the NNSA for any purpose without prior notification and approval by the House and Senate Committees on Appropriations.

ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES

DEFENSE ENVIRONMENTAL MANAGEMENT

The conference agreement provides a total of \$6,626,877,000 for Defense Environmental Management instead of \$6,748,457,000 as proposed by the House and \$6,743,045,000 as proposed by the Senate. This funding is provided in two separate appropriations: \$5,651,062,000 for Defense Site Acceleration Completion and \$991,144,000 for Defense Environmental Services, and also includes a rescission of \$15,329,000 from the Defense Environmental Management Privatization account.

Lack of Agreement for Accelerated Performance Management Plans.—The conferees share the concerns articulated in the House report regarding the linkage between additional funding for accelerated cleanup and the agreement of State regulators to the accelerated performance management plans. The House withheld funds for specific accelerated cleanup projects where State agreement was lacking. Where the necessary State agreement has been reached by

the time of this conference, those funds have been restored. Although a final agreement has not yet been reached with the State of New Mexico on the accelerated cleanup plan for the Los Alamos National Laboratory, the Department believes such agreement will be reached shortly. The conferees provide funds for accelerated cleanup of this site in fiscal year 2004, but remind the Department and the State of New Mexico that these funds for accelerated cleanup activities at Los Alamos are contingent on the Department and the State reaching final agreement in the near future.

Statutory Changes Required for Accelerated Cleanup.—The conferees strongly object to the Department sending forth its contractors to advocate for legislative changes that are necessary to execute accelerated cleanup plans, as was apparently the case with the proposal to consider the material in the Fernald silos as suitable for disposal as 11e.(2) material. If such statutory changes are responsible and for the benefit of the Government and the taxpayer, then the Department should submit such changes as part of a formal legislative proposal from the Administration to the Congress. The conferees direct the Department to review its current Performance Management Plans and cleanup contracts to identify any other instances where statutory changes are required to execute accelerated cleanup. The conferees direct the Department to report to the House and Senate Committees on Appropriations and to the relevant House and Senate authorizing committees within 60 days after enactment of this Act with the results of this review, and to submit a comprehensive legislative proposal with the fiscal year 2005 budget request including all such proposed changes to existing law.

Review of Cost and Schedule Baselines.—The conferees share the concerns expressed in the House and Senate reports regarding the recent 33 percent cost increase for the Hanford Waste Treatment and Immobilization Plant. This increase reflects a troubling lack of accountability at the Department for prior cost and schedule estimates, and does not inspire Congressional confidence in the reliability of the current cost and schedule baseline for this project and for other major cleanup projects. Therefore, the conferees direct the Department to transfer \$1,500,000 to the U.S. Army Corps of Engineers Directorate of Expertise for Cost Engineering (i.e., the Corps Walla Walla District) to conduct a detailed, bottoms-up, independent review of the cost and schedule baseline for the Hanford Waste Treatment and Immobilization Plant. This independent review should be completed no later than April 30, 2004, to allow the results of the Corps review to inform the House and Senate Committees on Appropriations in their consideration of the Department's fiscal year 2005 budget request. The conferees expect the Department to execute this fund transfer within 30 days of enactment of this Act, and to provide full cooperation to the Corps in executing this independent review.

The conference agreement also directs the Department to transfer \$2,500,000 from the Office of Environmental Management to the Office of Management, Budget and Evaluation to increase its oversight of the Department's accelerated cleanup projects. The conferees concur with the Senate language directing the Department to report back to the House and Senate Committees on Ap-

propriations by March 15, 2004, with a specific proposal on how to use these additional funds to establish a formal process by which the Office of Management, Budget and Evaluation shall certify to the Committees that new acceleration and reform agreements based on the site performance management plans are comprehensive in their cost estimates and contain adequate contingency amounts.

Oak Ridge Adjustments.—At the request of the Department, the conference agreement makes a number of reallocations to reflect the current cleanup plans for Oak Ridge National Laboratory, the East Tennessee Technology Park, and the Y-12 Plant. The reallocations occur in the Defense Site Acceleration Completion, Defense Environmental Services, Non-Defense Environmental Services, and Uranium Enrichment D&D Fund accounts, and net to zero.

DEFENSE SITE ACCELERATION COMPLETION

The conference agreement provides \$5,651,062,000 for defense site acceleration completion, instead of \$5,758,278,000 as proposed by the House and \$5,770,695,000 as proposed by the Senate.

Accelerated Completions 2006.—The conference agreement provides \$1,248,453,000, an increase of \$3,282,000 over the request to reflect the adjustment for accelerated Oak Ridge cleanup activities.

Accelerated Completions 2012.—The conference agreement provides \$2,236,252,000, an increase of \$7,938,000 over the request to reflect the adjustment for accelerated Oak Ridge cleanup activities.

Accelerated Completions 2035.—The conference agreement provides \$1,929,536,000, a reduction of \$49,061,000 from the budget request to reflect the adjustment for accelerated Oak Ridge cleanup activities.

From within available funds, the conferees direct the Department to provide a total of \$6,000,000 for worker training programs and supporting communications infrastructure, oversight, and management activities at the Hazardous Materials Management and Emergency Response Training and Education Center. The conferees direct the Department to provide \$8,500,000 for the Hazardous Waste Worker Training Program from within available funds. The conference agreement provides \$750,000 from within available funds to the State of Oregon for its oversight activities related to the Hanford cleanup.

The conferees direct the Department to pay its title V air permitting fees at the Idaho National Laboratory consistent with prior year levels, and to bring the Pit 9 litigation to an end as expeditiously as possible. The conference agreement includes the budget request of \$1,356,000 for activities at Amchitka Island, Alaska.

Waste Isolation Pilot Plant.—The Department's activities at the Waste Isolation Pilot Plant (WIPP) are primarily funded under the Accelerated Completions 2035 subaccount within the Defense Site Acceleration Completion account. From within available funds for Accelerated Completions 2035, the conferees direct the Department to provide an additional \$3,500,000 to the Carlsbad community for educational support, infrastructure improvements, and related initiatives to address the impacts of accelerated operations at WIPP, and an additional \$1,500,000 to consolidate at Carlsbad all

record archives relevant to the operations of WIPP and the transuranic waste in WIPP.

Technology Development and Deployment.—The conference agreement provides \$66,920,000, an increase of \$3,000,000 over the budget request. From within available funds, the conference agreement provides \$4,500,000 to continue the five-year agreement with AEA technology and \$7,000,000 to continue the five-year agreement with Florida International University's Hemispheric Center for Environmental Technology.

Within available funds, the conference agreement provides \$5,000,000 for the Western Environmental Technology Office; \$5,000,000 for the Diagnostic Instrumentation and Analysis Laboratory; \$2,000,000 for work on the subsurface science research institute by Idaho National Laboratory and the Inland Northwest Research Alliance institutions; and \$3,000,000 for the Mid-Atlantic Recycling Center for End-of-Life Electronics. The conferees direct the Department to renew its cooperative agreements with the University of Nevada-Las Vegas Research Foundation and the University of Nevada-Reno, and to continue its support of the Tribal Colleges Initiative involving Crownpoint Institute of Technology, Diné College in New Mexico, and the Southwestern Indian Polytechnic Institute to develop high quality environmental programs at tribal colleges.

Within available funds, the conference agreement provides \$3,000,000 to continue the arsenic removal research in conjunction with the American Water Works Association as begun in fiscal year 2003; \$3,000,000 in support of desalination research consistent with the Desalination and Water Purification Technology roadmap developed in partnership with the Bureau of Reclamation; \$750,000 to support the public/private ZeroNet Energy Water Initiative; and \$3,000,000 to fund the demonstration on Native American reservations of a stand-alone stirling engine combined with an advanced vapor compression distillation system for removing water contaminants.

Within available funds, the conference agreement provides \$1,500,000 for the Advanced Monitoring Systems Initiative at the Nevada Test Site; \$1,000,000 for the Management of Nevada Natural Resources with Remote Sensing Systems program; \$1,000,000 for the Desert Research Institute's Yucca Mountain Environmental Monitoring Program; and \$500,000 to initiate development of an electrochemical system utilizing ceramic ionic transport membranes for the recycle and disposal of radioactive sodium-ion waste.

Reprogramming authority.— The conferees support the need for flexibility to meet changing funding requirements at sites that are undergoing accelerated cleanup activities. In fiscal year 2004, each site manager may transfer up to \$5,000,000 between Defense Site Acceleration Completion subaccounts (i.e., accelerated completions 2006, accelerated completions 2012, accelerated completions 2035, and line item construction projects) to reduce health or safety risks or to gain cost savings as long as no program or project is increased or decreased by more than a total of \$5,000,000 during the fiscal year. This reprogramming authority may not be used to initiate new programs or programs specifically denied, limited, or increased by Congress in the Act or report. The Committees on Ap-

propriations in the House and Senate must be notified within thirty days of the use of this reprogramming authority.

Safeguards and security.—The conference agreement includes \$303,606,000, an increase of \$3,629,000 over the budget request, for safeguards and security activities at laboratories and facilities managed by the Office of Environmental Management. The increase reflects the adjustment for accelerated Oak Ridge cleanup activities.

Funding adjustments.—The conference agreement includes the use of \$132,361,000 of prior year balances to offset fiscal year 2004 spending. In addition, the conferees direct the Department to use \$21,000,000 of prior year balances to meet a portion of the Department's liability stemming from the termination of the contract with the Ohio Valley Electric Corporation for power to supply the Portsmouth Gaseous Diffusion Plant. The conference agreement also includes an offset of \$1,344,000 for the security costs associated with reimbursable work.

DEFENSE ENVIRONMENTAL SERVICES

The conference agreement provides \$991,144,000 instead of \$990,179,000 as proposed by the House and \$987,679,000 as proposed by the Senate. The conference agreement includes \$61,570,000 for community and regulatory support, \$452,000,000 for the Federal contribution to the Uranium Enrichment Decontamination and Decommissioning Fund, \$210,430,000 for non-closure environmental activities, and \$287,144,000 for program direction. The conference agreement includes within these amounts an additional \$20,732,000 in non-closure environmental activities and an additional \$233,000 in community and regulatory support to reflect the adjustment for accelerated Oak Ridge cleanup activities.

Within available funds, the conference agreement includes \$2,500,000 for the Waste Management Education and Research Consortium consistent with the terms of its cooperative agreement with the Department, and \$500,000 to support the Energy and Environmental Hispanic Community Participation project of the Self Reliance Foundation.

From within available funds for Community and Regulatory Support, the conferees direct the Department to use \$1,000,000 for regulatory and technical assistance to the State of New Mexico to amend the existing WIPP Hazardous Waste Permit to comply with the provisions of section 310 of this Act. Also from within available funds, the conferees provide \$3,000,000 for the US-Mexico Border Program and expect the funds to be allocated for the following activities which focus on reducing waste streams that threaten public health along the US-Mexico border: Ongoing university programs associated with the needs of Carlsbad and WIPP and the Center of Excellence in Hazardous Materials.

Within the funds available for community and regulatory support, the conferees direct the Department to provide \$1,000,000 for the State of Nevada and \$4,000,000 for the affected units of local government for external oversight activities related to nuclear waste disposal in Nevada.

DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION

(RESCISSION)

The conference agreement includes the rescission of \$15,329,000 from the Defense Environmental Management Privatization account as proposed by the Senate. The balances shall be derived as follows: \$13,329,000 from the Paducah Disposal Facility Privatization (OR-574) and \$2,000,000 from the Portsmouth Disposal Facility Privatization (OR-674).

OTHER DEFENSE ACTIVITIES

The conference agreement provides \$674,491,000 for Other Defense Activities instead of \$666,516,000 as proposed by the House and \$492,209,000 as proposed by the Senate. Details of the conference agreement are provided below.

ENERGY SECURITY AND ASSURANCE

The conference agreement provides \$22,472,000 for the energy security and assurance program. Of the additional funds included for the Office of Energy Assurance, \$16,000,000 shall be available for the National Energy Technology Laboratory (NETL) to implement and manage a national energy assurance training capability and other related activities to support the Department in accordance with its National Agenda for Energy Assurance activities, including \$3,500,000 for program direction costs, travel, and other related direct and indirect expenses. An additional \$4,000,000 shall be for NETL to implement and manage construction, renovation, furnishing, and demolition of agency facilities. The conferees provide \$2,472,000 for program direction in the Office of Energy Security and Assurance.

OFFICE OF SECURITY

The conference agreement provides \$211,757,000, the same as the budget request, for the Office of Security.

INTELLIGENCE

The conference agreement includes \$39,823,000, the same as the budget request, for the Department's intelligence program.

COUNTERINTELLIGENCE

The conference agreement includes \$45,955,000, the same as the budget request, for the Department's counterintelligence program.

INDEPENDENT OVERSIGHT AND PERFORMANCE ASSURANCE

The conference agreement provides \$22,575,000, the same as the budget request, for the independent oversight and performance assurance program.

ENVIRONMENT, SAFETY AND HEALTH (DEFENSE)

The conference agreement provides \$112,261,000 for defense-related environment, safety and health activities, including

\$18,910,000 for program direction. The conferees have provided \$3,075,000, an increase of \$2,075,000 above the budget request, for medical monitoring at the gaseous diffusion plants at Paducah, Kentucky, and Portsmouth, Ohio, and Oak Ridge, Tennessee. The conferees have provided \$4,000,000 to continue the DOE worker records digitization project through the Research Foundation at the University of Nevada-Las Vegas. The conferees direct the Department to establish an employee field resource center in the Bay Area of the State of California within 120 days of enactment.

Energy Employees Compensation Initiative.—The conferees are very concerned about the Department's lackluster performance to date in processing the employee claims under Subtitle D of the Energy Employees Occupational Illness Compensation Program Act (EEOICPA) of 2000. The conferees do not adopt the Senate proposal to transfer responsibility for processing the Subtitle D claims from the Department of Energy to the Department of Labor. However, if the Department does not show significant improvement in processing Subtitle D claims during fiscal year 2004, the conferees will consider seriously such a transfer next fiscal year. The conferees also encourage the Department to work with the authorizing committees to streamline Subtitle D of the EEOICPA. Not later than 180 days after the date of enactment of this Act, the Secretary of Energy shall submit to the House and Senate Committees on Appropriations and the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on administrative expenditures of the Department for the EEOICPA.

WORKER AND COMMUNITY TRANSITION

The conference agreement provides \$13,400,000 for the worker and community transition program. Funding of \$1,400,000 has been provided for the Pinellas Community Reuse Organization to complete the STAR Center transition, as proposed by the House. The conferees agree with the Senate language on incorporating the mission of the Office of Worker and Community Transition with the Office of Legacy Management. The conferees expect the two separate activities for worker and community transition and legacy management to continue to be identified separately in future budget requests.

No funds may be used to augment the \$13,400,000 made available for obligation for severance payments and other benefits and community assistance grants unless the Department of Energy submits a reprogramming request subject to approval by the appropriate Congressional committees.

LEGACY MANAGEMENT

The conferees support the fiscal year 2004 budget request proposal to establish the Office of Legacy Management to manage the long-term stewardship responsibilities at the Department's cleanup sites. The conference agreement provides a total of \$47,525,000 for the Office of Legacy Management, the same as the budget request, of which \$19,178,000 is provided in Other Defense Activities and the balance is provided in Non-Defense Environmental Services. The conferees encourage the Department to utilize the Mike Mans-

field Advanced Technology Center to support the new Office of Legacy Management.

FUNDING FOR DEFENSE ACTIVITIES IN IDAHO

The conference agreement provides \$112,306,000 as proposed in the House Report to fund the defense-related activities at the Idaho National Engineering and Environmental Laboratory (INEEL) and associated Idaho cleanup sites.

NATIONAL SECURITY PROGRAMS ADMINISTRATIVE SUPPORT

The conference agreement provides \$86,679,000 as proposed by the House for national security programs administrative support.

OFFICE OF HEARINGS AND APPEALS

The conference agreement provides \$3,797,000 for the Office of Hearings and Appeals, the same as the budget request.

FUNDING ADJUSTMENTS

Funding adjustments include a security charge for reimbursable work of \$712,000 and a reduction of \$15,000,000 to be applied to those programs that have balances carried over from prior fiscal years and lower priority program activities.

DEFENSE NUCLEAR WASTE DISPOSAL

The conference agreement provides \$390,000,000 for the defense contribution to the nuclear waste repository program, a reduction of \$40,000,000 from the request.

POWER MARKETING ADMINISTRATIONS

BONNEVILLE POWER ADMINISTRATION FUND

The conferees are aware of the Department of the Treasury's concerns relating to Bonneville Power Administration's financial accounting practices and expect Bonneville to rectify the situation as soon as is possible. The conferees agree with the House Report language directing the Secretary of Energy to conduct a review of Bonneville's mission, management, and financial condition and make specific recommendations to Congress to address GAO findings. The Secretary should submit this report to the House and Senate Committees on Appropriations by April 30, 2004. No new direct loan obligations may be made during fiscal year 2004.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

The conference agreement includes \$5,100,000, the same as the budget request, for the Southeastern Power Administration. The conference agreement provides \$34,000,000 for purchase power and wheeling in fiscal year 2004. The offsetting collections total of \$34,000,000 includes \$15,000,000 made available in Public Law 106-377 for use in fiscal year 2004, plus an additional \$19,000,000 provided in this Act.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER
ADMINISTRATION

The conference agreement includes \$28,600,000, the same as the budget request, for the Southwestern Power Administration. The conference agreement provides \$1,800,000 for purchase power and wheeling in fiscal year 2004. The offsetting collections total of \$1,800,000 includes \$288,000 made available in Public Law 106–377 for use in fiscal year 2004, plus an additional \$1,512,000 provided in this Act. The Committee recommendation also provides authority for Southwestern to accept advances from non-Federal entities to provide interconnections to Southwestern’s transmission system.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE,
WESTERN AREA POWER ADMINISTRATION

The conference agreement provides \$177,950,000, an increase of \$6,950,000 over the budget request for Western Area Power Administration. The conference agreement includes \$6,200,000 for the Utah Mitigation and Conservation Account and \$750,000 on a non-reimbursable basis for a transmission study on the placement of 500 MW of wind energy in North Dakota and South Dakota. The conference agreement provides \$186,100,000 for purchase power and wheeling in fiscal year 2004. The offsetting collections for purchase power and wheeling includes \$20,000,000 made available in Public Law 106–377 for use in fiscal year 2004, plus an additional \$162,108,000 provided in this Act. The conference agreement includes \$4,825,000 for upgrades to substations and transmission lines for the South of Phoenix portion of the Parker-Davis project as proposed by the House.

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

The conference agreement includes \$2,640,000, the same as the budget request, for the Falcon and Amistad Operating and Maintenance Fund.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

The conference agreement includes \$204,400,000 for the Federal Energy Regulatory Commission (FERC), an increase of \$5,000,000 over the budget request. The conferees provide the additional funds for FERC work related to the August 2003 blackout and for subsequent implementation of enforceable reliability standards. Revenues for FERC are set at an amount equal to the budget authority, resulting in a net appropriation of \$0.

The conferees are concerned that the cyber security standard recently announced by the North American Electric Reliability Council omits process control systems, distributed control systems, and electronic relays for generating stations, switching stations, and substations from the definition of critical cyber assets. Computer systems that provide security to the national power grid are increasingly integrated among generation, transmission, and distribution, and control and communication functions, and therefore

share interdependent vulnerability. Given that technologies exist in the marketplace to protect plant-level control systems, the conferees encourage the Federal Energy Regulatory Commission to ensure that process control systems, switching stations, and substations are adequately protected by any cyber security standards issued for the national power grid.

The conferees have concerns regarding the continuing impacts of Enron's past business practices on electricity customers in Nevada wherein Enron Power Marketing, Inc., terminated forward power contracts it entered into with Sierra Pacific Power Company and Nevada Power Company and is now seeking under bankruptcy protection to enforce full collection of termination payments for such contracts even though no power was ever delivered. In addition to the substantial record of fraud and market manipulation which has been established through Congressional oversight, the FERC, based upon its own investigation has appropriately sanctioned Enron with a "death penalty" prohibition against participation in the energy trading business in the future. The conferees expect FERC to review carefully the uniquely inequitable circumstances such as those in Nevada which could result in additional adverse impacts on electricity consumers resulting from Enron's past illegal activities. Further, the conferees encourage FERC to view any contract for the sale of electric energy at wholesale that contains rates, terms, or conditions affected by any manipulative or fraudulent activity to be deemed contrary to the public interest.

GENERAL PROVISIONS

DEPARTMENT OF ENERGY

Sec. 301. The conference agreement modifies bill and report language proposed by the House requiring competition of certain management and operating (M&O) contracts of the Department of Energy. This section applies to those M&O contracts that were awarded non-competitively over fifty years ago (i.e., fifty years prior to the start of fiscal year 2004). The affected contracts are specifically identified as: Ames Laboratory, Argonne National Laboratory, Lawrence Berkeley National Laboratory, Lawrence Livermore National Laboratory, and Los Alamos National Laboratory.

Subsection (a) limits the use of appropriated funds to pay for these contracts unless the Secretary, not later than 60 days after enactment of this Act, notifies Congress and publishes in the Federal Register a notice of his decision to compete these contracts when their current terms expire. Subsection (a)(2) allows the Secretary to use a reasonable amount of funds to maintain operations of these contracts during the 60-day period beginning on the date of enactment of this Act.

The conferees recognize the challenges inherent in competing these contracts, especially those that are currently managed by non-profit educational institutions and those that are located on university property. The conferees expect that the Secretary's Blue Ribbon Commission on the Use of Competitive Procedures for DOE Laboratories will advise the Secretary how to address these challenges. Further, the conferees recognize the difficulties of com-

peting these five laboratory contracts over the next two fiscal years, which is the time span during which the current contracts will expire. The conferees expect the Secretary to use the flexibility provided by subsection (a)(3) to stagger the award dates for these five contracts, so that incumbents and other potential bidders do not have to compete for multiple contracts with the same award date, as would be the case with the Argonne-East and Argonne-West contracts.

The conferees strongly encourage the Secretary to use the competitive procedures outlined in 41 U.S.C. 253. The exemption from full and open competition for federally funded research and development centers (FFRDCs), as provided in 41 U.S.C. 253(c)(3), shall not be used as a rationale for not competing these five laboratory contracts. The Department has successfully competed a number of contracts for other DOE laboratories that have been, and continue to be, designated as FFRDCs, and the FFRDC status of the five laboratories that are the subject of this section should not be used to avoid competition for those contracts. The Secretary may, however, use the flexibility provided in 41 U.S.C. 253 to tailor a procurement that will attract both for-profit and non-profit bidders.

Sec. 302. The conference agreement includes a provision proposed by the House and Senate that none of the funds may be used to prepare or implement workforce restructuring plans or provide enhanced severance payments and other benefits and community assistance grants for Federal employees of the Department of Energy under section 3161 of the National Defense Authorization Act of Fiscal Year 1993, Public Law 102-484. This provision has been carried in previous Energy and Water Development Appropriations Acts.

Sec. 303. The conference agreement includes a provision proposed by the House and Senate that none of the funds may be used to augment the \$13,400,000 made available for obligation for severance payments and other benefits and community assistance grants unless the Department of Energy submits a reprogramming request subject to approval by the appropriate Congressional committees. This provision has been carried in previous Energy and Water Development Appropriations Acts.

Sec. 304. The conference agreement includes a provision proposed by the House and Senate that none of the funds may be used to prepare or initiate Requests for Proposals for a program if that program has not been funded by Congress in the current fiscal year. This provision also precludes the Department from initiating activities for new programs which have been proposed in the budget request, but which have not yet been funded by Congress. This provision has been carried in previous Energy and Water Development Appropriations Acts.

(TRANSFERS OF UNEXPENDED BALANCES)

Sec. 305. The conference agreement includes a provision proposed by the House and Senate that permits the transfer and merger of unexpended balances of prior appropriations with appropriation accounts established in this bill. This provision has been carried in previous Energy and Water Development Appropriations Acts.

Sec. 306. The conference agreement includes a provision proposed by the House and Senate prohibiting the Bonneville Power Administration from performing energy efficiency services outside the legally defined Bonneville service territory unless the Administrator certifies in advance that such services are not available from private sector businesses. This provision has been carried in previous Energy and Water Development Appropriations Acts.

Sec. 307. The conference agreement includes a provision proposed by the House establishing certain notice and competition requirements for Department of Energy user facilities. This provision has been carried in previous Energy and Water Development Appropriations Acts.

Sec. 308. The conference agreement includes a provision proposed by the House and Senate allowing the Administrator of the National Nuclear Security Administration to authorize certain nuclear weapons production plants, including the Nevada Test Site, to use not more than 2 percent of available funds for research, development and demonstration activities. This provision has been carried in previous Energy and Water Development Appropriations Acts.

Sec. 309. The conference agreement includes a provision proposed by the House and Senate which would authorize intelligence activities of the Department of Energy for purposes of section 504 of the National Security Act of 1947 until enactment of the Intelligence Authorization Act for fiscal year 2004.

Sec. 310. The conference agreement includes a provision proposed by the Senate limiting the types of waste that can be disposed of in the Waste Isolation Pilot Plant in New Mexico. None of the funds may be used to dispose of transuranic waste in excess of 20 percent plutonium by weight for the aggregate of any material category. At the Rocky Flats site, this provision includes: ash residues; salt residues; wet residues; direct repackage residues; and scrub alloy as referenced in the "Final Environmental Impact Statement on Management of Certain Plutonium Residues and Scrub Alloy Stored at the Rocky Flats Environmental Technology Site". This provision has been carried in previous Energy and Water Development Appropriations Acts.

Sec. 311. The conference agreement includes a provision that requires that waste characterization at WIPP be limited to determining that the waste is not ignitable, corrosive, or reactive. This confirmation will be performed using radiography or visual examination of a representative subpopulation of the waste. The language directs the Department of Energy to seek a modification to the WIPP Hazardous Waste Facility Permit to implement the provisions of this section.

Sec. 312. The conference agreement modifies a provision proposed by the Senate allowing the disposal of certain waste at Fernald, Ohio, and the Niagara Falls Storage Site as "byproduct material" as defined by section 11e.(2) of the Atomic Energy Act.

Sec. 313. The conference agreement includes a provision proposed by the Senate limiting the funds that may be expended under the Advanced Concepts Initiative.

Sec. 314. The conference agreement modifies a provision proposed by the Senate relating to the Martin's Cove lease.

Sec. 315. The conference agreement includes a provision proposed by the Senate regarding the reinstatement and transfer of the FERC License for Project No. 2696.

Sec. 316. The conference agreement includes a provision limiting the use of funds provided for external oversight activities by the State of Nevada and the affected units of local government.

Provisions not adopted by the conference.—The conference agreement deletes language proposed by the Senate that: changes the arrangement for funding from the power marketing administrations for Corps of Engineers hydropower operation and maintenance activities; the limitation on funds available for engineering development of the robust nuclear earth penetrator; transfer responsibility for Subtitle D of the Energy Employees Occupational Illness Compensation Program Act (EEOICPA) from the Department of Energy to the Department of Labor; and that requires a report on administrative expenditures by DOE for EEOICPA activities.

CONFERENCE RECOMMENDATIONS

The conference agreement's detailed funding recommendations for programs in title III are contained in the following table.

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference

ENERGY SUPPLY		
RENEWABLE ENERGY RESOURCES		
Renewable energy technologies		
Biomass/biofuels energy systems.....	69,750	75,000
Geothermal technology development.....	25,500	26,000
Hydrogen research.....	87,982	78,000
Hydropower.....	7,489	5,000
Solar energy.....	79,693	85,000
Zero energy building.....	4,000	---
Wind energy systems.....	41,600	41,600
Intergovernmental activities.....	12,500	15,000
Electricity reliability.....	76,866	---
Total, Renewable energy technologies.....	405,380	325,600
Renewable support and implementation		
Departmental energy management.....	2,300	2,000
Renewable program support.....	---	4,000
Total, Renewable support and implementation.....	2,300	6,000
National climate change technology initiative.....	15,000	---
Facilities and infrastructure		
National renewable energy laboratory.....	4,200	9,200
Construction		
02-E-001 Science and technology facility, NREL		
Golden, CO.....	---	4,000
Total, National renewable energy laboratory.....	4,200	13,200
Oak Ridge national laboratory		
Construction		
04-E-TBD Plant engineering and design (PED),		
energy reliability and efficiency laboratory....	750	---
Total, Facilities and infrastructure.....	4,950	13,200
Program direction.....	16,577	12,600
Subtotal, Renewable Energy Resources.....	444,207	357,400
=====	=====	=====
Use of prior year balances.....	---	-13,000
TOTAL, RENEWABLE ENERGY RESOURCES.....	444,207	344,400
=====	=====	=====
ELECTRICITY TRANSMISSION AND DISTRIBUTION		
Research and development.....	---	70,807
Electricity restructuring.....	---	7,059
Program direction.....	---	3,761
Construction		
04-E-TBD Plant engineering and design (PED),		
energy reliability and efficiency laboratory.....	---	750
TOTAL, ELECTRICITY TRANSMISSION AND DISTRIBUTION	---	82,377
=====	=====	=====

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference

NUCLEAR ENERGY		
Radiological facilities management		
Space and defense infrastructure.....	36,230	36,230
Medical isotopes infrastructure.....	26,425	28,425
	-----	-----
Total, Radiological facilities management.....	62,655	64,655
University reactor fuel assistance and support.....	18,500	23,500
Research and development		
Nuclear energy plant optimization.....	---	3,000
Nuclear energy research initiative.....	12,000	11,000
Nuclear energy technologies.....	48,000	44,000
Nuclear hydrogen initiative.....	4,000	6,500
Advanced fuel cycle initiative.....	63,025	68,000
	-----	-----
Total, Research and development.....	127,025	132,500
Idaho facilities management		
ANL-West operations.....	31,615	42,615
INEEL infrastructure.....	10,190	31,605
Construction		
99-E-200 Test reactor area electrical utility upgrade, Idaho National Engineering Lab, ID...	1,840	1,840
95-E-201 Test reactor area fire and life safety improvements, Idaho National Engineering Lab, ID	500	500
	-----	-----
Subtotal, Construction.....	2,340	2,340
	-----	-----
Subtotal, INEEL infrastructure.....	12,530	33,945
	-----	-----
Total, Idaho facilities management.....	44,145	76,560
Idaho sitewide safeguards and security.....	---	56,654
Program direction.....	24,800	59,200
	-----	-----
Subtotal, Nuclear Energy.....	277,125	413,069
	=====	=====
Funding from other defense activities.....	---	-112,306
	-----	-----
TOTAL, NUCLEAR ENERGY.....	277,125	300,763
	=====	=====
ENVIRONMENT, SAFETY AND HEALTH		
Office of Environment, Safety and Health (non-defense)	10,000	7,000
Program direction.....	20,000	16,000
	-----	-----
TOTAL, ENVIRONMENT, SAFETY AND HEALTH.....	30,000	23,000
	=====	=====
Subtotal, Energy supply.....	751,332	750,540
	=====	=====
General reduction.....	---	-10,000
Less security charge from reimbursable work.....	-3,003	-3,003
	=====	=====
TOTAL, ENERGY SUPPLY.....	748,329	737,537
	=====	=====

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference

NON-DEFENSE SITE ACCELERATION COMPLETION		
Accelerated completions, 2006.....	48,677	48,677
Accelerated completions, 2012.....	119,750	119,750
Accelerated completions, 2035.....	2,448	4,948
	-----	-----
Subtotal, Non-defense Site Acceleration Completion	170,875	173,375
	=====	=====
Use of prior year balances.....	---	-10,000
	=====	=====
TOTAL, NON-DEFENSE SITE ACCELERATION COMPLETION...	170,875	163,375
	=====	=====
URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND		
Decontamination and decommissioning.....	367,124	365,484
Uranium/thorium reimbursement.....	51,000	51,000
	=====	=====
TOTAL, URANIUM ENRICHMENT D&D FUND.....	418,124	416,484
	=====	=====
NON-DEFENSE ENVIRONMENTAL SERVICES		
Community and regulatory support.....	1,034	1,034
Environmental cleanup projects.....	43,842	43,842
Office of Legacy Management (non-defense).....	---	28,347
Non-closure environmental activities.....	160,445	177,445
Construction		
02-U-101 Depleted uranium hexafluoride conversion project, Paducah, KY and Portsmouth, OH.....	86,800	98,800
	-----	-----
Total, Non-closure environmental activities.....	247,245	276,245
	-----	-----
Subtotal, Non-defense Environmental Services.....	292,121	349,468
	=====	=====
Use of prior year balances.....	---	-10,000
	=====	=====
TOTAL, NON-DEFENSE ENVIRONMENTAL SERVICES.....	292,121	339,468
	=====	=====
SCIENCE		
High energy physics		
Proton accelerator-based physics.....	399,494	399,494
Electron accelerator-based physics.....	159,486	159,486
Non-accelerator physics.....	43,000	43,000
Theoretical physics.....	42,256	42,256
Advanced technology R&D.....	81,242	81,242
	-----	-----
Subtotal,.....	725,478	725,478
	-----	-----
Construction		
98-G-304 Neutrinos at the main injector, Fermilab.....	12,500	12,500
	-----	-----
Total, High energy physics.....	737,978	737,978
	-----	-----
Nuclear physics.....	389,430	391,930
	-----	-----
Biological and environmental research.....	499,535	592,000

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference

Basic energy sciences		
Research		
Materials sciences and engineering research.....	567,711	575,711
Chemical sciences, geosciences and energy biosciences.....	220,914	220,914
Subtotal, Research.....	788,625	796,625
Construction		
04-R-313-Nanoscale science research center, the molecular foundry.....	35,000	35,000
04-R-313 Nanoscale science research center, the center for integrated nontechnologies, SNL/LASL...	29,850	29,850
03-SC-002 Project engineering & design (PED) SLAC.	7,500	7,500
03-R-312 Center for nanophase materials sciences, ORNL.....	20,000	20,000
02-SC-002 Project engineering and design (VL).....	3,000	3,000
99-E-334 Spallation neutron source (ORNL).....	124,600	124,600
Subtotal, Construction.....	219,950	219,950
Total, Basic energy sciences.....	1,008,575	1,016,575
Advanced scientific computing research.....	173,490	203,490
Science laboratories infrastructure		
Infrastructure support.....	1,520	1,520
Oak Ridge landlord.....	5,079	5,079
Excess facilities disposal.....	5,055	6,055
Safety-related corrective actions.....	---	10,000
Construction		
04-SC-001 Project engineering and design (PED), various locations.....	2,000	2,000
MEL-001 Multiprogram energy laboratory infrastructure projects, various locations.....	29,936	29,936
Subtotal, Construction.....	31,936	31,936
Total, Science laboratories infrastructure.....	43,590	54,590
Fusion energy sciences.....	257,310	264,110
Safeguards and security.....	48,127	51,887
Science workforce development.....	6,470	6,470
Science program direction		
Field offices.....	83,802	80,102
Headquarters.....	58,217	58,217
Technical information management program.....	7,774	7,714
Energy research analyses.....	1,020	1,020
Total, Science program direction.....	150,813	147,053
Subtotal, Science.....	3,315,318	3,466,083
	=====	=====

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference
General reduction/use of prior year balances.....	---	-10,000
Less security charge for reimbursable work.....	-4,383	-4,383
	=====	=====
TOTAL, SCIENCE.....	3,310,935	3,451,700
	=====	=====
NUCLEAR WASTE DISPOSAL		
Repository program.....	85,830	109,830
Program direction.....	75,170	80,170
	=====	=====
TOTAL, NUCLEAR WASTE DISPOSAL.....	161,000	190,000
	=====	=====
DEPARTMENTAL ADMINISTRATION		
Administrative operations		
Salaries and expenses		
Office of the Secretary.....	4,624	4,251
Board of contract appeals.....	653	653
Chief information officer.....	42,214	35,000
Congressional and intergovernmental affairs.....	4,724	4,449
Economic impact and diversity.....	4,701	4,701
General counsel.....	22,879	20,000
Office of Management, Budget and Evaluation.....	104,210	104,210
Policy and international affairs.....	17,777	13,822
Public affairs.....	4,465	3,854
	-----	-----
Subtotal, Salaries and expenses.....	206,247	190,940
Program support		
Minority economic impact.....	1,400	1,192
Policy analysis and system studies.....	1,000	397
Energy security and assurance.....	2,000	---
Environmental policy studies.....	1,500	569
Cybersecurity and secure communications.....	26,432	26,432
Corporate management information program.....	37,632	24,000
	-----	-----
Subtotal, Program support.....	69,964	52,590
	-----	-----
Total, Administrative operations.....	276,211	243,530
Cost of work for others.....	75,095	69,682
	-----	-----
Subtotal, Departmental Administration.....	351,306	313,212
	=====	=====
Use of prior year balances and other adjustments.....	---	-10,000
Funding from other defense activities.....	-25,000	-86,679
	-----	-----
Total, Departmental administration (gross).....	326,306	216,533
	=====	=====
Miscellaneous revenues.....	-146,668	-123,000
	=====	=====
TOTAL, DEPARTMENTAL ADMINISTRATION (net).....	179,638	93,533
	=====	=====
OFFICE OF INSPECTOR GENERAL		
Office of Inspector General.....	39,462	39,462
	=====	=====
TOTAL, OFFICE OF INSPECTOR GENERAL.....	39,462	39,462

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference

ATOMIC ENERGY DEFENSE ACTIVITIES		
NATIONAL NUCLEAR SECURITY ADMINISTRATION		
WEAPONS ACTIVITIES		
Directed stockpile work		
Stockpile research and development.....	433,150	412,650
Stockpile maintenance.....	405,746	409,746
Stockpile evaluation.....	202,885	201,885
Dismantlement/disposal.....	37,722	37,722
Production support.....	278,113	271,113
Field engineering, training and manuals.....	7,170	7,170
	-----	-----
Total, Directed stockpile work.....	1,364,786	1,340,286
Campaigns		
Science campaigns		
Primary certification.....	65,849	57,849
Dynamic materials properties.....	82,251	82,251
Advanced radiography.....	65,985	55,985
Secondary certification and nuclear systems margins.....	55,463	54,463
	-----	-----
Subtotal, Science campaigns.....	269,548	250,548
Engineering campaigns		
Enhanced surety.....	37,974	32,974
Weapons system engineering certification.....	28,238	27,238
Nuclear survivability.....	23,977	22,977
Enhanced surveillance.....	94,781	91,781
Advanced design and production technologies.....	79,917	77,917
Engineering campaigns construction activities.....	4,500	4,500
Construction		
01-D-108 Microsystem and engineering science applications (MESA), SNL, Albuquerque, NM.....	61,800	87,000
	-----	-----
Subtotal, Engineering campaigns & construction	66,300	91,500
	-----	-----
Subtotal, Engineering campaigns.....	331,187	344,387
Inertial confinement fusion ignition and high yield.		
Construction		
96-D-111 National ignition facility, LLNL.....	150,000	150,000
	-----	-----
Subtotal, Inertial confinement fusion.....	466,769	517,269
Advanced simulation and computing.....	713,326	688,326
Construction		
01-D-101 Distributed information systems laboratory, SNL, Livermore, CA.....	12,300	12,300
00-D-103, Terascale simulation facility, LLNL, Livermore, CA.....	25,000	25,000
	-----	-----
Subtotal, Construction.....	37,300	37,300
	-----	-----
Subtotal, Advanced simulation and computing.....	750,626	725,626
Pit manufacturing and certification.....	320,228	298,528

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference
Readiness campaigns		
Stockpile readiness.....	55,158	55,158
High explosives manufacturing and weapons assembly/disassembly readiness.....	29,649	23,649
Non-nuclear readiness.....	37,397	33,397
Tritium readiness.....	59,893	59,893
Construction		
98-D-125 Tritium extraction facility, SR.....	75,000	75,000
Subtotal, Tritium readiness.....	134,893	134,893
Subtotal, Readiness campaigns.....	257,097	247,097
Total, Campaigns.....	2,395,455	2,383,455
Readiness in technical base and facilities		
Operations of facilities.....	972,773	1,027,773
Program readiness.....	131,093	131,093
Special projects.....	42,975	51,675
Material recycle and recovery.....	76,189	76,189
Containers.....	16,006	16,006
Storage.....	11,365	11,365
Nuclear weapons incident response.....	89,694	89,694
Subtotal, Readiness in technical base and fac.....	1,340,095	1,403,795
Construction		
04-D-101 Test capabilities revitalization, Sandia National Laboratories, Albuquerque, NM.....	36,450	36,450
04-D-102 Exterior communications infrastructure modernization, Sandia National Laboratories.....	20,000	20,000
04-D-103 Project engineering and design (PED), various locations.....	2,000	3,564
04-D-104 National security sciences building, Los Alamos National Laboratory, Los Alamos, NM.....	50,000	50,000
04-D-125 Chemistry and metallurgy facility replacement project, Los Alamos National Laboratory, Los Alamos, NM.....	20,500	10,000
04-D-126 Building 12-44 production cells upgrade, Pantex plant, Amarillo, TX.....	8,780	8,780
04-D-127 Cleaning and loading modifications, Savannah River site, Aiken, SC.....	2,750	2,750
04-D-128 TA-18 mission relocation project, Los Alamos Laboratory, Los Alamos, NM.....	8,820	8,820
03-D-103 Project engineering and design various locations.....	10,570	10,570
03-D-121 Gas transfer capacity expansion, Kansas City Plant, Kansas City, MO.....	15,300	11,300
03-D-123 Special nuclear materials requalification, Pantex plant, Amarillo, TX.....	7,628	7,628
02-D-103 Project engineering and design, various locations.....	10,950	10,950

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference
02-D-105 Engineering technology complex upgrade, LLNL, CA.....	9,776	9,776
02-D-107 Electrical power systems safety communications and bus upgrades, NV.....	2,887	2,887
01-D-103 Project engineering and design (PE&D), various locations.....	1,600	1,600
01-D-124 HEU materials facility, Y-12 plant, Oak Ridge, TN.....	45,000	45,000
01-D-126 Weapons Evaluation Test Laboratory Pantex Plant, Amarillo, TX.....	2,838	2,838
99-D-104 Protection of real property (roof reconstruction-Phase II), LLNL, Livermore, CA....	3,500	3,500
99-D-127 Stockpile management restructuring initiative, Kansas City plant, Kansas City, MO....	12,475	12,475
96-D-102 Stockpile stewardship facilities revitalization (Phase VI), various locations.....	1,552	1,552
Subtotal, Construction.....	273,376	260,440
Total, Readiness in technical base and facilities.	1,613,471	1,664,235
Facilities and infrastructure recapitalization program Construction	261,404	236,404
04-D-203 Facilities and infrastructure recapitalization program (FIRP), project engineering design (PED), various locations.....	3,719	3,719
Total, Facilities and infrastructure recapitalization program.....	265,123	240,123
Secure transportation asset		
Operations and equipment.....	123,605	123,605
Program direction.....	58,795	58,795
Subtotal, Secure transportation asset.....	182,400	182,400
Use of prior year balances.....	---	-20,000
Total, Secure transportation asset.....	182,400	162,400
Safeguards and security.....	582,067	582,067
Construction		
99-D-132 SMRI nuclear material safeguards and security upgrade project (LANL), Los Alamos, NM...	3,683	3,683
Total, Safeguards and security.....	585,750	585,750
Subtotal, Weapons activities.....	6,406,985	6,376,249

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference
Use of prior year balances.....	---	-74,753
Less security charge for reimbursable work.....	-28,985	-28,985
Subtotal, Weapons Activities.....	6,378,000	6,272,511
	=====	=====
TOTAL, WEAPONS ACTIVITIES.....	6,378,000	6,272,511
	=====	=====
DEFENSE NUCLEAR NONPROLIFERATION		
Nonproliferation and verification, R&D.....	203,873	233,373
Nonproliferation and international security.....	101,734	110,734
Nonproliferation programs with Russia		
International materials protection, control, and cooperation.....	226,000	260,000
Accelerated highly enriched uranium (HEU)		
Russian transition initiative.....	40,000	40,000
HEU transparency implementation.....	18,000	18,000
International nuclear safety.....	14,083	4,000
Elimination of weapons-grade plutonium production program.....	50,000	50,000
Accelerated materials disposition.....	30,000	---
Fissile materials disposition		
U.S. surplus materials disposition.....	193,805	193,805
Russian surplus materials disposition.....	47,100	47,100
Construction		
99-D-141 Pit disassembly and conversion facility Savannah River, SC.....	13,600	13,600
99-D-143 Mixed oxide fuel fabrication facility, Savannah River, SC.....	402,000	402,000
Subtotal, Construction.....	415,600	415,600
Subtotal, Fissile materials disposition.....	656,505	656,505
Total, Nonproliferation programs with Russia.....	1,034,588	1,028,505
Subtotal, Defense Nuclear Nonproliferation.....	1,340,195	1,372,612
	=====	=====
Use of prior year balances.....	---	-45,000
	=====	=====
TOTAL, DEFENSE NUCLEAR NONPROLIFERATION.....	1,340,195	1,327,612
	=====	=====
NAVAL REACTORS		
Naval reactors development.....	724,600	723,100
Construction		
03-D-201 Cleanroom technology facility, Bettis atomic power lab, West Mifflin, PA.....	300	300
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID.....	18,300	18,300
Subtotal, Construction.....	18,600	18,600
Total, Naval reactors development.....	743,200	741,700

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference
Program direction.....	25,200	26,700
Subtotal, Naval Reactors.....	768,400	768,400
Use of prior year balances.....	---	-2,000
TOTAL, NAVAL REACTORS.....	768,400	766,400
OFFICE OF THE ADMINISTRATOR		
Office of the Administrator.....	347,980	281,980
Defense nuclear nonproliferation.....	---	58,000
TOTAL, OFFICE OF THE ADMINISTRATOR.....	347,980	339,980
TOTAL, NATIONAL NUCLEAR SECURITY ADMINISTRATION...	8,834,575	8,706,503
DEFENSE SITE ACCELERATION COMPLETION		
Accelerated completions, 2006.....	1,245,171	1,248,453
Accelerated completions, 2012.....	1,512,554	1,520,492
Construction		
04-D-414 Project engineering and design (PED), various locations.....	23,500	23,500
04-D-423 Container surveillance capability in 235-F, Savannah River.....	1,134	1,134
02-D-402 Intec cathodic protection system expansion project, INEEL, Idaho Falls, ID.....	1,126	1,126
01-D-416 Hanford waste treatment plnt, Richland WA	690,000	690,000
Subtotal, Construction.....	715,760	715,760
Total, Accelerated completions, 2012.....	2,228,314	2,236,252
Accelerated completions, 2035.....	1,892,884	1,843,823
Construction		
04-D-408 Glass waste storage building #2, Savannah River.....	20,259	20,259
03-D-403 Immobilized high-level waste interim storage facility, Richland, WA.....	13,954	13,954
03-D-414 Project engineering and design (PED), various locations.....	51,500	51,500
Subtotal, Construction.....	85,713	85,713
Total, Accelerated completions, 2035.....	1,978,597	1,929,536
Safeguards and security.....	299,977	303,606
Technology development and deployment.....	63,920	66,920
Subtotal, Defense Site Acceleration Completion....	5,815,979	5,784,767

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference
Less security charge for reimbursable work.....	-1,344	-1,344
Use of prior year balances.....	---	-132,361
	=====	=====
TOTAL, DEFENSE SITE ACCELERATION COMPLETION.....	5,814,635	5,651,062
	=====	=====
DEFENSE ENVIRONMENTAL SERVICES		
Community and regulatory support.....	61,337	61,570
Federal contribution to the uranium enrichment.....	452,000	452,000
Non-closure environmental activities.....	189,698	210,430
Program direction.....	292,144	287,144
Use of prior year balances.....	---	-20,000
	-----	-----
TOTAL, DEFENSE ENVIRONMENTAL SERVICES.....	995,179	991,144
	=====	=====
Defense Environmental Management Privatization (rescission).....	---	-15,329
	=====	=====
TOTAL, DEFENSE ENVIRONMENTAL MANAGEMENT.....	6,809,814	6,626,877
	=====	=====
OTHER DEFENSE ACTIVITIES		
Other national security programs		
Energy security and assurance		
Energy security.....	---	20,000
Program direction.....	4,272	2,472
	-----	-----
Subtotal, Energy security and assurance.....	4,272	22,472
	-----	-----
Office of Security		
Nuclear safeguards and security.....	104,713	104,713
Security investigations.....	54,554	54,554
Program direction.....	52,490	52,490
	-----	-----
Subtotal, Office of Security.....	211,757	211,757
	-----	-----
Intelligence.....	39,823	39,823
Counterintelligence.....	45,955	45,955
Independent oversight and performance assurance.....	22,575	22,575
	-----	-----
Environment, safety and health (Defense).....	87,276	93,351
Program direction - EH.....	20,410	18,910
	-----	-----
Subtotal, Environment, safety & health (Defense)	107,686	112,261
	-----	-----
Worker and community transition.....	12,321	10,721
Program direction - WT.....	2,679	2,679
	-----	-----
Subtotal, Worker and community transition.....	15,000	13,400
	-----	-----
Office of Legacy Management (defense).....	47,525	19,178
National Security programs administrative support...	25,000	86,879
Defense activities at INEEL.....	113,476	112,306
Office of hearings and appeals.....	3,797	3,797
	-----	-----
Subtotal, Other Defense Activities.....	636,866	690,203
	=====	=====

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference

Use of prior year balances.....	---	-15,000
Less security charge for reimbursable work.....	-712	-712
	=====	=====
TOTAL, OTHER DEFENSE ACTIVITIES.....	636,154	674,491
	=====	=====
DEFENSE NUCLEAR WASTE DISPOSAL		
Defense nuclear waste disposal.....	430,000	390,000
CERRO GRANDE FIRE ACTIVITIES		
Cerro Grande fire activites (rescission).....	-75,000	---
	=====	=====
TOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES.....	16,635,543	16,397,871
	=====	=====
POWER MARKETING ADMINISTRATIONS		
SOUTHEASTERN POWER ADMINISTRATION		
Operation and maintenance		
Purchase power and wheeling.....	15,000	34,000
Program direction.....	5,100	5,100
	-----	-----
Subtotal, Operation and maintenance.....	20,100	39,100
Offsetting collections.....	---	-19,000
Carryover offsetting collections (P.L. 106-377).....	-15,000	-15,000
	-----	-----
TOTAL, SOUTHEASTERN POWER ADMINISTRATION.....	5,100	5,100
	=====	=====
SOUTHWESTERN POWER ADMINISTRATION		
Operation and maintenance		
Operating expenses.....	4,663	4,663
Purchase power and wheeling.....	288	1,800
Program direction.....	19,205	19,205
Construction.....	4,732	4,732
	-----	-----
Subtotal, Operation and maintenance.....	28,888	30,400
Offsetting collections.....	---	-1,512
Carryover offsetting collections (P.L. 106-377).....	-288	-288
	-----	-----
TOTAL, SOUTHWESTERN POWER ADMINISTRATION.....	28,600	28,600
	=====	=====
WESTERN AREA POWER ADMINISTRATION		
Operation and maintenance		
Construction and rehabilitation.....	12,200	12,950
System operation and maintenance.....	36,204	36,204
Purchase power and wheeling.....	20,000	186,100
Program direction.....	126,588	126,588
Utah mitigation and conservation.....	---	6,200
	-----	-----
Subtotal, Operation and maintenance.....	194,992	368,042
Offsetting collections.....	---	-166,100
Carryover offsetting collections (P.L. 98-381).....	-3,992	-3,992
Carryover offsetting collections (P.L. 106-377).....	-20,000	-20,000
	-----	-----
TOTAL, WESTERN AREA POWER ADMINISTRATION.....	171,000	177,950
	=====	=====

DEPARTMENT OF ENERGY
(Amounts in thousands)

	Budget Request	Conference

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND		
Operation and maintenance.....	2,640	2,640
	=====	=====
TOTAL, POWER MARKETING ADMINISTRATIONS.....	207,340	214,290
	=====	=====
FEDERAL ENERGY REGULATORY COMMISSION		
Federal energy regulatory commission.....	199,400	204,400
FERC revenues.....	-199,400	-204,400
	=====	=====
GRAND TOTAL, DEPARTMENT OF ENERGY.....	22,163,367	22,043,720
	=====	=====

to include a provision in the bill which provides that \$5,500,000 shall not be available to the Commission until the Commission submits a detailed budget justification for the fiscal year 2005 budget.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

The conference agreement includes \$618,800,000 as proposed by the House and the Senate, to be offset by revenues of \$538,844,000, for a net appropriation of \$79,956,000. This reflects the statutory language adopted by the conference in fiscal year 2001 to reduce the fee recovery requirement to 92 percent in fiscal year 2004.

The conferees direct the Nuclear Regulatory Commission to contract with the National Academy of Sciences for a study of spent nuclear fuel storage at commercial reactor sites. The study should assess (1) potential safety and security risks of spent nuclear fuel presently stored in cooling pools, including the density of such storage; (2) safety and security advantages, if any, of dry cask storage versus wet pool storage at reactor sites; and (3) potential safety and security advantages, if any, of dry cask storage using various single-, dual-, and multi-purpose cask designs. In light of the September 11, 2001, terrorist attacks, this study should explicitly consider the risks of terrorist attacks on these materials and the risk these materials might be used to construct a radiological dispersal device. The National Academy of Sciences should deliver a classified report to the House and Senate Committees on Appropriations no later than six months after funding is provided to undertake this study and an unclassified summary as soon as practicable thereafter.

From within funds made available to the Nuclear Regulatory Commission, the conferees direct the Commission to transfer \$1,000,000 to the National Academy of Sciences to undertake this study. The conferees expect the Commission to execute this transfer within 30 days of enactment of this Act. This study should be conducted in coordination with the Department of Homeland Security and the Department of Energy. The conferees expect the Nuclear Regulatory Commission, the Department of Homeland Security, and the Department of Energy to make available to the National Academy of Sciences the information it needs to complete this study in a timely manner. Further, the Department of Homeland Security is expected to contribute funding to this National Academy of Sciences study to meet its requirement for a separate analysis of the safety and security of spent nuclear fuel storage at commercial nuclear power plants.

TITLE V

GENERAL PROVISIONS

Section 501. The conference agreement includes language proposed by the House and the Senate directing that none of the funds appropriated in this Act may be used in any way, directly or indirectly, to influence congressional action on any legislation or appro-

priation matters pending before Congress except to communicate to Members of Congress.

Section 502. The conference agreement includes language proposed by the Senate regarding the purchase of American-made equipment and products, and prohibiting contracts with persons falsely labeling products as made in America. The House bill included a provision regarding the false labeling of products.

Section 503. The conference agreement includes language proposed by the House regarding the transfer of funds made available in this Act to other departments or agencies of the Federal government.

Section 504. The conference agreement includes language proposed by the House making a technical correction to the Consolidated Appropriations Resolution, 2003.

Provisions not included in the conference agreement.—The conference agreement does not include language proposed by the House regarding the release of water from the San Juan Chama project and the Middle Rio Grande project and language proposed by the House regarding the export of certain materials to the Peoples' Republic of North Korea.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2004 recommended by the Committee of Conference, with comparisons to the fiscal year 2003 amount, the 2004 budget estimates, and the House and Senate bills for 2004 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 2003	\$26,712,195
Budget estimates of new (obligational) authority, fiscal year 2004	27,427,496
House bill, fiscal year 2004	27,585,000
Senate bill, fiscal year 2004	27,857,232
Conference agreement, fiscal year 2004	27,830,900
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 2003	+1,118,705
Budget estimates of new (obligational) authority, fiscal year 2004	+403,404
House bill, fiscal year 2004	+245,900
Senate bill, fiscal year 2004	– 26,332

DAVID L. HOBSON,
 RODNEY P. FRELINGHUYSEN,
 TOM LATHAM,
 ZACH WAMP,
 JO ANN EMERSON,
 JOHN T. DOOLITTLE,
 JOHN E. PETERSON,
 MICHAEL K. SIMPSON,
 BILL YOUNG,
 PETER J. VISCLOSKY,
 CHET EDWARDS,
 ED PASTOR,
 JAMES E. CLYBURN,
 MARION BERRY,
 DAVID R. OBEY,

Managers on the Part of the House.

PETE V. DOMENICI,
THAD COCHRAN,
MITCH McCONNELL,
ROBERT F. BENNETT,
CONRAD BURNS,
LARRY E. CRAIG,
CHRISTOPHER BOND,
TED STEVENS,
HARRY REID,
ROBERT C. BYRD,
FRITZ HOLLINGS,
PATTY MURRAY,
BYRON L. DORGAN,
DIANNE FEINSTEIN,
DANIEL K. INOUE,

Managers on the Part of the Senate.

